OFFERING CIRCULAR

PIRAEUS BANK

PIRAEUS FINANCIAL HOLDINGS S.A.

(incorporated with limited liability in the Hellenic Republic)

as Issuer

and

PIRAEUS BANK S.A.

(incorporated with limited liability in the Hellenic Republic)

as Issuer

€25,000,000,000 Euro Medium Term Note Programme

Each of Piraeus Financial Holdings S.A. ("PFH" or "Piraeus Financial Holdings") and Piraeus Bank S.A. ("Piraeus Bank" or the "Bank" and, together with PFH, the "Issuers" and each an "Issuer" and references herein to the "relevant Issuer" being to the Issuer of the relevant Notes (as defined below)) have entered into a Euro Medium Term Note Programme (, the "Programme"). All Notes issued under the Programme on or after the date hereof are issued subject to the provisions set out herein. This does not affect any Notes issued prior to the date hereof.

Under the Programme, the Issuers may from time to time issue notes (the "Notes") denominated in any currency agreed with the relevant Dealer (as defined below). Notes may be issued as Senior Preferred Liquidity Notes, Senior Preferred Notes, Senior Non-Preferred Notes or Tier 2 Notes (each as defined below). Piraeus Bank may issue (i) Senior Preferred Liquidity Notes, (ii) Senior Preferred Notes, (iii) Senior Non-Preferred Notes and (iv) Tier 2 Notes. PFH may issue (i) Senior Preferred Notes, (ii) Senior Non-Preferred Notes and (iii) Tier 2 Notes.

The maximum aggregate nominal amount of all Notes from time to time outstanding will not exceed €25,000,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement described herein), subject to increase as described herein.

The Notes may be issued on a continuous basis to the Dealers specified herein and any additional Dealer appointed under the Programme from time to time, which appointment may be for a specific issue or on an ongoing basis (each a "Dealer" and together the "Dealers"). References in this Offering Circular to the "relevant Dealer" shall, in relation to any issue of Notes, be to the Dealer or Dealers agreeing to subscribe such Notes.

An investment in Notes issued under the Programme involves certain risks. For a discussion of these risks see "*Risk Factors*" below.

This Offering Circular has been approved by the Luxembourg Stock Exchange pursuant to Part IV of the Luxembourg act dated 16 July 2019 on prospectuses for securities for the purpose of admitting Notes on the Euro MTF market of the Luxembourg Stock Exchange ("Euro MTF") and shall be valid for a period of 12 months from the date of this Offering Circular.

Application has also been made to the Luxembourg Stock Exchange for Notes issued under the Programme during the period of 12 months from the date of this Offering Circular to be admitted to trading on the Euro MTF and to be listed on the Official List of the Luxembourg Stock Exchange. References in this Offering Circular to Notes being "listed" (and all related references) shall mean that such Notes have been admitted to trading on the Euro MTF and have been admitted to the Official List of the Luxembourg Stock Exchange. The Euro MTF is a multilateral trading facility and not a regulated market for the purposes of Directive 2014/65/EU (as amended) ("MiFID II").

This Offering Circular is valid for 12 months from its date. The obligation to supplement this Offering Circular in the event of a significant new factor, material mistake or material inaccuracy does not apply when this Offering Circular is no longer valid.

Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and certain other information which is applicable to each Tranche (as defined under "Terms and Conditions of the Notes") of Notes will be set out in a final terms document (the "Pricing Supplement") which, with respect to Notes to be listed on the Euro MTF, will be delivered to the Luxembourg Stock Exchange on or before the date of issue of the Notes of such Tranche.

The Programme provides that Notes may be listed or admitted to trading, as the case may be, on such other or further stock exchanges or markets (other than in respect of an admission to trading on any market in the EEA which has been designated as a regulated market for the purposes of MiFID II) as may be agreed between the relevant Issuer and the relevant Dealer. The relevant Issuer may also issue unlisted Notes and/or Notes not admitted to trading on any market. No Notes have been or will be registered under the United States Securities Act 1933, as amended (the "Securities Act") and are subject to U.S. tax law requirements.

Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to U.S. persons (see "*Subscription and Sale*" below).

The Notes of each Tranche will be in bearer form and (unless otherwise specified in the applicable Pricing Supplement) will initially be represented by a temporary global Note which will be deposited on the relevant issue date with a common depositary or common safekeeper on behalf of Euroclear Bank SA/NV ("Euroclear") and Clearstream Banking S.A. ("Clearstream, Luxembourg"), and/or any other agreed clearance system and which will be exchangeable, as specified in the applicable Pricing Supplement, for either a permanent global Note or Notes in definitive form, in each case upon certification as to non-U.S. beneficial ownership as required by U.S. Treasury regulations. The applicable Pricing Supplementwill specify that a permanent global Note either (i) is exchangeable (in whole but not in part) for definitive Notes upon not less than 60 days' notice or (ii) is only exchangeable (in whole but not in part) for definitive Notes following the occurrence of an Exchange Event (as defined on page 62), all as further described in "Form of the Notes" and "Applicable Pricing Supplement" below.

Piraeus Financial Holdings has been rated Caa2 (positive outlook) for long term issuer rating by Moody's Investors Services Cyprus Limited ("Moody's") and B- (stable outlook) for issuer credit rating by S&P Global Ratings, acting through S&P Global Ratings Europe Limited ("S&P Global"). Piraeus Bank has been rated B3 (positive outlook) for long term bank deposit rating and NP for short term bank deposit rating by Moody's, B (stable outlook) for issuer credit rating by S&P Global and CCC+ for long term issuer default rating by Fitch Ratings Ireland Limited ("Fitch").

With respect to Piraeus Financial Holdings S.A., the Programme has been rated Caa2 (senior unsecured debt) and Caa2 (subordinated debt) by Moody's, B- (long term senior unsecured debt), B (short term senior unsecured debt) and CCC (subordinated debt) by S&P Global.

With respect to Piraeus Bank S.A., the Programme has been rated Caa1 (senior unsecured debt) and Caa2 (subordinated debt) by Moody's, B (long term senior unsecured debt), B (short term senior unsecured debt) and CCC (subordinated debt) by S&P Global and CCC (long term senior preferred debt) and C (short term senior preferred debt) by Fitch.

Each of Moody's, S&P Global and Fitch is established in the European Union ("EU") and is registered under the Regulation (EC) No. 1060/2009 (as amended) (the "CRA Regulation"). As such, each of Moody's, S&P Global and Fitch is included in the list of credit rating agencies published by the European Securities and Markets Authority ("ESMA") on its website (at http://www.esma.europa.eu/page/List-registered-and-certified-CRAs) in accordance with the CRA Regulation. None of Moody's, S&P Global and Fitch is established in the United Kingdom. Accordingly the ratings issued by each of Moody's, S&P and Fitch have been endorsed by Moody's Investors Service Ltd (in respect of Moody's), by S&P Global Ratings UK Limited (in respect of S&P) and Fitch Ratings Ltd (in respect of Fitch) each in accordance with Regulation (EC) No. 1060/2009 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("EUWA") (the "UK CRA Regulation"). As such, ratings issued by each of Moody's, S&P and Fitch may be used for regulatory purposes in the United Kingdom in accordance with the UK CRA Regulation. Notes issued under the Programme may be rated or unrated. Where a Tranche of Notes is rated, such rating will be disclosed in the applicable Pricing Supplement. Whether or not each credit rating applied for in relation to a relevant Series of Notes will be issued by a credit rating agency established in the EU and registered under the CRA Regulation and whether or not such credit rating agency is included in the list of credit rating agencies published by ESMA on its website in accordance with the CRA Regulation will be disclosed in the applicable Pricing Supplement. A security rating is not a recommendation to buy, sell or hold securities and may be subject to review, revision, suspension, reduction or withdrawal at any time by the assigning rating agency.

Each Issuer may agree with any Dealer that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes herein, in which event a supplement to the Offering Circular, a drawdown offering circular or a new offering circular, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Notes.

Arranger

Goldman Sachs Bank Europe SE

Dealers

Barclays
BNP PARIBAS
Commerzbank
Deutsche Bank
HSBC
Morgan Stanley

BofA Securities
Citigroup
Credit Suisse
Goldman Sachs Bank Europe SE
J.P. Morgan
Piraeus Bank S.A.

UBS Investment Bank

30 September 2021

IMPORTANT INFORMATION

This Offering Circular does not comprise a base prospectus for the purposes of Article 8 of Regulation (EU) 2017/1129 (as amended, the "Prospectus Regulation").

This Offering Circular comprises a base prospectus for the purposes of Part IV of the Luxembourg act dated 16 July 2019 on prospectuses for securities.

Each of PFH and Piraeus Bank (the "Responsible Persons") accepts responsibility for the information contained in this Offering Circular and the Pricing Supplement for each Tranche of Notes issued under the Programme. To the best of the knowledge and belief of the Responsible Persons (each having taken all reasonable care to ensure that such is the case), the information contained in this Offering Circular is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Offering Circular is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see "*Documents Incorporated by Reference*" below). This Offering Circular shall be read and construed on the basis that such documents are incorporated into and form part of this Offering Circular.

Other than in relation to the documents which are deemed to be incorporated by reference (see "*Documents Incorporated by Reference*"), the information on the websites to which this Offering Circular refers does not form part of this Offering Circular and has not been scrutinised or approved by the Luxembourg Stock Exchange.

Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Dealers as to the accuracy or completeness of the information contained in this Offering Circular or any other information provided by PFH and/or Piraeus Bank in connection with the Programme or any Notes or their distribution.

No person is or has been authorised by PFH and/or Piraeus Bank to give any information or to make any representation not contained in or not consistent with this Offering Circular or any other information provided in connection with the Programme or any Notes and, if given or made, such information or representation must not be relied upon as having been authorised by PFH and/or Piraeus Bank or any Dealer.

Neither this Offering Circular nor any other information supplied in connection with the Programme or any Notes (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation or as constituting an invitation or offer by PFH and/or Piraeus Bank or any Dealer that any recipient of this Offering Circular or any other information supplied in connection with the Programme or any Notes should purchase any Notes. Each investor contemplating purchasing Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the relevant Issuer. Neither this Offering Circular nor any other information supplied in connection with the Programme or any Notes constitutes an offer or invitation by or on behalf of PFH and/or Piraeus Bank or any Dealer to any person to subscribe for or to purchase any Notes.

Neither the delivery of this Offering Circular nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained herein concerning PFH and/or Piraeus Bank is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Dealers expressly do not undertake to review the financial condition or affairs of PFH and/or Piraeus Bank during the life of the Programme or to advise any investor in Notes issued under the Programme of any information coming to their attention.

Investments in the Notes do not benefit from any protection provided pursuant to Directive 2014/49/EU of the European Parliament and of the Council on deposit guarantee schemes or any

national implementing measures implementing this Directive in any jurisdiction. Therefore, if the relevant Issuer becomes insolvent or defaults on its obligations, investors investing in the Notes in a worst case scenario could lose their entire investment.

Neither Issuer nor any Dealer nor any of their respective affiliates make any representation as to the suitability of any Green Bonds to fulfil any environmental criteria required by any prospective investors. None of the Dealers nor any of their respective affiliates have undertaken, nor are they responsible for, any assessment of the Green Bond Framework (as defined in this Offering Circular) or the monitoring of the use of proceeds (or amounts equal thereto) or the allocation of the proceeds of any Green Bonds. None of the Issuers, the Dealers or any of their respective affiliates makes any representation as to the suitability of the Green Bond Framework and none of the Dealers or any of their respective affiliates make any representation as to the content of the Green Bond Framework or the Second Party Opinion (as defined in this Offering Circular).

IMPORTANT –EEA RETAIL INVESTORS – If the Pricing Supplement in respect of any Notes includes a legend entitled "Prohibition of Sales to EEA Retail Investors", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a "retail investor" means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

IMPORTANT – UK RETAIL INVESTORS – If the Pricing Supplement in respect of any Notes includes a legend entitled "Prohibition of Sales to UK Retail Investors", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("UK"). For these purposes, a "retail investor" means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 ("FSMA") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "UK PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

An investment in the Notes is not an equivalent to an investment in a bank deposit. Although an investment in the Notes may give rise to higher yields than a bank deposit placed with the Piraeus Bank or with any other investment firm in PFH and its subsidiaries and subsidiary undertakings from time to time (the "Group"), an investment in the Notes carries risks which are very different from the risk profile of such a deposit. The Notes are expected to have greater liquidity than a bank deposit since bank deposits are generally not transferable. However, the Notes may have no established trading market when issued, and one may never develop.

BENCHMARKS - Amounts payable under the Notes may be calculated by reference to one or more "benchmarks" for the purposes of Regulation (EU) No. 2016/1011 of the European Parliament and of the Council of 8 June 2016 (the "EU Benchmarks Regulation"). In this case, a statement will be included in the applicable Pricing Supplement as to whether or not the relevant

administrator of the "benchmark" is included in ESMA's register of administrators under Article 36 of the EU Benchmarks Regulation. The registration status of any administrator under the EU Benchmarks Regulation is a matter of public record and, save where required by applicable law, the Issuer does not intend to update the applicable Pricing Supplement to reflect any change in the registration status of the administrator.

PRODUCT CLASSIFICATION PURSUANT TO SECTION 309B OF THE SECURITIES AND FUTURES ACT (CHAPTER 289) OF SINGAPORE - The Pricing Supplement in respect of any Notes in respect of any Notes may include a legend entitled "Singapore SFA Product Classification" which will state the product classification of the Notes pursuant to section 309B(1) of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the "SFA").

The relevant Issuer will make a determination in relation to each issue under the Programme of the classification of the Notes being offered for purposes of section 309B(1)(a). Any such legend included on the relevant Pricing Supplement will constitute notice to each of the "relevant persons" for purposes of section 309B(1)(c) of the SFA.

MIFID II PRODUCT GOVERNANCE / TARGET MARKET – The Pricing Supplement in respect of any Notes will include a legend entitled "MiFID II product governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID II Product Governance rules under EU Delegated Directive 2017/593 (the "MiFID Product Governance Rules"), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither Goldman Sachs Bank Europe SE, as arranger, nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID II Product Governance Rules.

UK MiFIR PRODUCT GOVERNANCE / TARGET MARKET – The Pricing Supplement in respect of any Notes may include a legend entitled "UK MiFIR product governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "UK MiFIR Product Governance Rules") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither Goldman Sachs Bank Europe SE, as arranger, nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MIFIR Product Governance Rules.

IMPORTANT INFORMATION RELATING TO THE USE OF THIS OFFERING CIRCULAR AND OFFERS OF NOTES GENERALLY

This Offering Circular does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Offering Circular and the offer or sale of Notes may be restricted by law in certain jurisdictions. None of PFH, Piraeus Bank or any of the Dealers represents that this Offering Circular may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assumes any responsibility for facilitating any such distribution or offering. In particular, unless specifically indicated to the contrary in the applicable Pricing Supplement, no action has been taken by PFH, Piraeus Bank or any of the Dealers which is intended to permit a public offering of any Notes or distribution of this Offering Circular in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Offering Circular nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Offering Circular or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Offering Circular and the offering and sale of Notes. For details of certain restrictions on the distribution of this Offering Circular and the offer or sale of Notes in the United States, the United Kingdom, the EEA, Singapore and Japan, see "*Subscription and Sale*" below.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act") and are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (see "*Subscription and Sale*").

The Notes may not be a suitable investment for all investors. Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor may wish to consider, either on its own or with the help of its financial and other professional advisers, whether it:

(i) has sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Offering Circular or any applicable supplement;

(ii) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;

(iii) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes where the currency for principal or interest payments is different from the potential investor's currency;

(iv) understands that existing liquidity arrangements (for example, re-purchase agreements by the relevant Issuer) might not protect it from having to sell the Notes at substantial discount below their principal amount, in case of financial distress of the relevant Issuer;

(v) understands thoroughly the terms of the Notes and is familiar with the behaviour of financial markets; and

(vi) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) Notes are legal investments for it, (ii) Notes can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

FORWARD-LOOKING STATEMENTS

This Offering Circular includes forward-looking statements. These include statements relating to, among other things, the future financial performance of the Issuers and the Group, plans, objectives, goals, strategies and expectations regarding developments in the business, growth and profitability of the Group and general industry and business conditions applicable to the Group and the assumptions underlying these forward-looking statements. The relevant Issuer has based these forward-looking statements on its current expectations, assumptions, estimates and projections about future events. Although the relevant Issuer believes that the expectations, assumptions, estimates and projections reflected in its forward-looking statements are reasonable at the date of this Offering Circular, these forward-looking statements are subject to a number of risks, uncertainties and assumptions that may cause the actual results, performance or achievements of the Group or those of its industry to be materially different from or worse than these forward-looking statements. Any forward-looking statements contained in this Offering Circular speak only as at the date of this Offering Circular. No Issuer assumes any obligation to update such forward-looking statements and to adapt them to future events or developments except to the extent required by law.

In this Offering Circular, the Issuers present certain forward-looking targets derived from the Group's business plans including forward-looking statements and targets relating to its NPE Reduction Plan, its Capital Enhancement Plan and its Transformation Plan (as described herein). These targets represent the Group's strategic objectives and do not constitute financial or operating projections or forecasts. These targets are based on a range of expectations and assumptions regarding, among other things, the Group's present and future business strategies (including, in particular, its strategies relating to the implementation of its NPE Reduction Plan, its Capital Enhancement Plan and its Transformation Plan), cost efficiencies, capital spending programme and the environment in which it operates, some or all of which may prove to be inaccurate. While the Group does not undertake to update its targets, the Group may change its targets from time to time. Actual results may differ materially from its targets. Accordingly, there can be no assurance that the Group will achieve any of its targets, whether in the short, medium or long term. The Group's ability to achieve these targets is subject to inherent risks, many of which are beyond its control and some of which could have an immediate impact on its earnings and/or financial position, which could materially affect its ability to realise the targets described below. Furthermore, the Group operates in a very competitive and rapidly changing environment, which is subject to regulatory, political and other risks. The Group may face new risks from time to time, and it is not possible for it to predict all such risks which may affect its ability to achieve the targets described herein. Given these risks and uncertainties, the Group may not achieve its targets at all or within the timeframe described herein.

No Issuer undertakes any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this Offering Circular might not occur. Any statements regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. Investors are cautioned not to place undue reliance on such forward-looking statements, which are based on facts known to the relevant Issuer only as at the date of this Offering Circular. According to

the Group's management, the Group has not made any profit forecasts for the current financial year or for the future. It does, however, regularly inform the investment community of its financial performance or any other material event through regular or *ad hoc* press releases.

DEFINITIONS AND INTERPRETATION

On 30 December 2020, the core banking operations of the former Piraeus Bank Société Anonyme were demerged, by way of hive-down, and were contributed into a newly-formed credit institution incorporated under the same corporate name, *i.e.* "Piraeus Bank Société Anonyme" (the "Demerger"). In connection with the Demerger: (i) Piraeus Bank Société Anonyme substituted the former Piraeus Bank Société Anonyme, by way of universal succession, to all the transferred assets and liabilities of the core banking operations of the former Piraeus Bank Société Anonyme; (ii) the former Piraeus Bank Société Anonyme ceased to be a credit institution, retained activities, assets and liabilities not related to core banking activities, and changed its corporate name to "Piraeus Financial Holdings S.A."; and (iii) Piraeus Financial Holdings S.A. holds 100% of the share capital of Piraeus Bank Société Anonyme and has become the direct or indirect ultimate parent holding company for all other companies that, prior to the Demerger, comprised the "Group" (as defined herein).

In this Offering Circular, references to "PFH" or to "Piraeus Financial Holdings" are references to, post-Demerger, Piraeus Financial Holdings S.A. (formerly Piraeus Bank Société Anonyme), except to the extent otherwise specified or the context otherwise requires, including, among others, in the context of references to the entity acting as a credit institution responsible for the Group's core banking operations (in which case, such references shall be deemed to refer to (i) the former Piraeus Bank Société Anonyme (now renamed Piraeus Financial Holdings S.A.), pre-Demerger and prior to 30 December 2020, and (ii) the newly-formed banking entity, Piraeus Bank Société Anonyme, on and after 31 December 2020) (ie after the Demerger); references to the "Group" (as defined herein) should be read and construed to be references to Piraeus Financial Holdings S.A. (formerly Piraeus Bank Société Anonyme), and its prudentially consolidated subsidiaries both prior to and after the completion of the Demerger, except to the extent otherwise specified or the context otherwise requires; references to "Greece" are to the country, the official name of which is the Hellenic Republic; references to the "EU" and "EC" are to the European Union and the European Community, respectively; references to "ECB" are to the European Central Bank; references to "IMF" are to the International Monetary Fund; references to the "U.S." are to the United States of America; and references to "HFSF" are to the Hellenic Financial Stability Fund.

The language of this Offering Circular is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

References to websites or uniform resource locators ("URLs") are inactive textual references and are included for information purposes only. Unless otherwise specified herein, the contents of any such website or URL shall not form part of, and shall not be deemed to be incorporated into, this Offering Circular.

In this Offering Circular, unless the contrary intention appears, a reference to a law or provision of a law is a reference to that law or provision as extended, amended or re-enacted.

All references in this document to "U.S.$" and "$" are to United States dollars, those to "Yen" are to Japanese Yen, those to "Sterling" and "£" are to pounds sterling and those to "€", "euro", "Euro" and "EUR" are to the single currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

General

Financial information for the year ended 31 December 2019, derives from the comparative columns in the annual audited consolidated financial statements as at and for the year ended 31 December 2020. The annual audited consolidated financial statements as at and for the years ended 31 December 2019 and 2020 were prepared in accordance with International Financial Reporting Standards as adopted by the EU ("**IFRS**") and audited by our statutory auditors, Deloitte Certified Public Accountants S.A.

The Demerger is a business combination transaction involving entities under common control that involves the establishment of a new company. The Demerger falls outside the scope of IFRS 3 and IFRS does not provide guidance regarding the accounting treatment of such transactions. In line with the Group's accounting policy for business combinations that involve the formation of a new entity in the case of a reorganisation, Piraeus Bank Société Anonyme incorporated the assets and liabilities of the banking sector transferred from the former Piraeus Bank Société Anonyme at their carrying amounts, as presented in the books of the former Piraeus Bank Société Anonyme. The reorganisation had no impact on the Group's consolidated financial statements and was accounted for at carrying values.

In the separate financial statements of Piraeus Financial Holdings, the assets, liabilities and equity reserves of the banking sector activity were derecognised and Piraeus Financial Holdings' investment in Piraeus Bank Société Anonyme was recognised at cost. The share capital of Piraeus Bank Société Anonyme, which, at completion of the Demerger, amounted to €5,400 million, was calculated based on the carrying amount of the net assets and equity reserves transferred as of 31 July 2020, which was the balance sheet transformation date. Piraeus Bank Société Anonyme, due to the fact that the day-one impact on the income statement of both the demerged entity and Piraeus Bank Société Anonyme is immaterial, recognised on its statement of financial position the assets, liabilities and equity reserves transferred based on their carrying amount as of 31 December 2020. Any difference between the carrying amount of net assets and reserves between 31 July 2020 and 31 December 2020 has been directly recognised as retained earnings.

Further information relating to the Demerger and the associated transformation can be found in Note 3 to Piraeus Financial Holdings' consolidated financial statements as at and for the year ended 31 December 2020.

Certain financial and other information presented in this Offering Circular has been prepared on the basis of the relevant Issuer's own internal accounts, statistics and estimates, and has not been subject to any audit or review by the relevant Issuer's statutory auditors.

Each Issuer's financial year ends on 31 December of each year. References to any financial year refer to the year ended 31 December of the calendar year specified.

Certain monetary amounts and other figures included in this Offering Circular have been subject to rounding adjustments. Accordingly, any discrepancies in any tables between the totals and the sums of the amounts listed are due to rounding.

Certain special terms used in the banking industry are defined in the glossary of technical terms. See "*Glossary of Selected Terms*".

In accordance with IFRS 8, the Bank's five main business segments are presented and reported separately: Retail Banking, Corporate Banking, Piraeus Financial Markets ("**PFM**"), NPE Management Unit ("**NPEMU**") and Other segments. Income and expenses directly associated with each segment are included in determining business segment performance. Intra-segment revenue and costs are eliminated within each relevant segment. The Retail Banking segment includes the retail banking operations of the Bank, such as deposits, loans, working capital, trade financing facilities, letters of guarantee and other similar services provided to retail and small business customers. For more information on the Bank's main business segments, see "*Piraeus Bank S.A.*".

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In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) in the applicable Pricing Supplement may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or person(s) acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.

OVERVIEW OF THE PROGRAMME

The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Offering Circular and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Pricing Supplement.

Words and expressions defined in "Form of the Notes" and "Terms and Conditions of the Notes" shall have the same meanings in this Overview.

Issuers:	Piraeus Financial Holdings S.A. (Piraeus Financial Holdings S.A. Legal Entity Identifier (LEI): M6AD1Y1KW32H8THQ6F76) Piraeus Bank S.A. (Piraeus Bank S.A. Legal Entity Identifier (LEI): 213800OYHR1MPQ5VJL60) Any issue of Notes under the Programme is subject to the prior decision of the Board of Directors of the relevant Issuer.
Risk Factors:	There are certain factors that may affect the relevant Issuer's ability to fulfil its obligations under Notes issued under the Programme. In addition, there are certain factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme and risks relating to the structure of a particular Series of Notes issued under the Programme. All of these are set out under "*Risk Factors*".
Description of the Issuers:	Detailed descriptions of Piraeus Financial Holdings and Piraeus Bank are set out later in this Offering Circular.
Description of the Programme:	Euro Medium Term Note Programme
Arranger:	Goldman Sachs Bank Europe SE
Dealers:	Barclays Bank Ireland PLC BofA Securities Europe SA BNP Paribas Citigroup Global Markets Europe AG Commerzbank Aktiengesellschaft Credit Suisse Bank (Europe), S.A. Deutsche Bank Aktiengesellschaft Goldman Sachs Bank Europe SE HSBC Continental Europe J.P. Morgan AG

	Morgan Stanley Europe SE Piraeus Bank S.A. UBS Europe SE and any other Dealers appointed from time to time either generally in respect of the Programme or in relation to a particular Tranche of Notes, in each case, in accordance with the Programme Agreement.
Certain Restrictions:	Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see "*Subscription and Sale*" herein). ***Notes having a maturity of less than one year*** Notes having a maturity of less than one year will constitute deposits for the purposes of the prohibition on accepting deposits contained in section 19 of the Financial Services and Markets Act 2000 unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or its equivalent (see "*Subscription and Sale*" herein).
Issuing and Principal Paying Agent:	Deutsche Bank AG, London Branch
Luxembourg Listing Agent:	Deutsche Bank Luxembourg S.A.
Noteholders Agent:	If the Noteholders must be organised in a group pursuant to article 63 of Greek Law 4548/2018, to the extent applicable, the relevant Issuer shall appoint a Noteholders Agent by way of a Noteholders Agency Agreement.
Programme Amount:	Up to EUR 25,000,000,000 (or its equivalent in other currencies calculated as described herein) outstanding at any time. The Issuers may increase the amount of the Programme in accordance with the terms of the Programme Agreement.
Distribution:	Subject to applicable selling restrictions, Notes may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis.
Currencies:	Subject to any applicable legal or regulatory or central bank requirements, such currencies as may

	be agreed between the relevant Issuer and the relevant Dealer including, without limitation, Australian dollars, Canadian dollars, Danish kroner, euro, Hong Kong dollars, New Zealand dollars, Norwegian kroner, Sterling, Swedish kronor, Swiss francs and United States dollars (as indicated in the applicable Pricing Supplement).
Maturities:	Such maturities as may be agreed between the relevant Issuer and the relevant Dealer and as indicated in the applicable Pricing Supplement, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Issuer or the relevant Specified Currency.
Issue Price:	Notes may be issued on a fully-paid basis and at an issue price which is at par or at a discount to, or premium over, par.
Form of Notes:	The Notes will be issued in bearer form. Notes to be issued under the Programme will be either: (i) Senior Preferred Liquidity Notes, (ii) Senior Preferred Notes, (iii) Senior Non-Preferred Notes or (iv) Tier 2 Notes as indicated in the applicable Pricing Supplement. Piraeus Bank may issue (i) Senior Preferred Liquidity Notes, (ii) Senior Preferred Notes, (iii) Senior Non-Preferred Notes and (iv) Tier 2 Notes. PFH may issue (i) Senior Preferred Notes, (ii) Senior Non-Preferred Notes and (iii) Tier 2 Notes. Each Tranche of Notes will (unless otherwise specified in the applicable Pricing Supplement) initially be represented by a temporary global Note. Each global Note which is not intended to be issued in new global note form, as specified in the applicable Pricing Supplement, will be deposited on the relevant Issue Date with a common depositary for Euroclear and Clearstream, Luxembourg and/or any other agreed clearing system as specified in the applicable Pricing Supplement and each global Note which is intended to be issued in new global note form (a "New Global Note" or "NGN"), as specified in the applicable Pricing Supplement, will be deposited on or around the relevant issue date with a common

safekeeper for Euroclear and/or Clearstream, Luxembourg. Interests in each temporary global Note will be exchangeable, upon request as described therein, for either interests in a permanent global Note or definitive Notes (as indicated in the applicable Pricing Supplement) and subject, in the case of definitive Notes, to such notice period as is specified in the applicable Pricing Supplement, in either case not earlier than 40 days after the Issue Date upon certification of non-US beneficial ownership as required by US Treasury regulations. The applicable Pricing Supplement will specify that a permanent global Note either (i) is exchangeable (in whole but not in part) for definitive Notes upon not less than 60 days' notice or (ii) is only exchangeable (in whole but not in part) for definitive Notes upon the occurrence of an Exchange Event, as described in "*Form of the Notes*" below. Any interest in a global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear, Clearstream, Luxembourg and/or any other agreed clearing system, as appropriate.

Fixed Rate Notes: Fixed interest will be payable on such date or dates as may be agreed between the relevant Issuer and the relevant Dealer (as indicated in the applicable Pricing Supplement) and on redemption.

Reset Notes: Reset Notes will, in respect of an initial period, bear interest at the Initial Rate of Interest specified in the applicable Pricing Supplement. Thereafter, the fixed rate of interest will be reset on one or more date(s) specified in the applicable Pricing Supplement by reference to a mid-market swap rate or a rate based on the yield for an identified government bond or certain government bonds (in each case relating to the relevant Specified Currency), and for a period equal to the Reset Period, as adjusted for any applicable margin, in each case as may be specified in the applicable Pricing Supplement. Such interest will be payable in arrear on the Interest Payment Date(s) specified in or as determined pursuant to the applicable Pricing Supplement.

Floating Rate Notes: Floating Rate Notes will bear interest at a rate determined:

(a) on the same basis as the floating rate under a notional interest-rate swap transaction in

the relevant Specified Currency governed by an agreement incorporating either the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. (ISDA) , and as amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series or the latest version of the 2021 ISDA Interest Rate Derivatives Definitions (as published by ISDA as at the Issue Date of the first Tranche of the Notes of the relevant Series) as specified in the applicable Pricing Supplement); or

(b) on the basis of the reference rate set out in the applicable Pricing Supplement.

The Margin (if any) relating to such Floating Rate Notes will be agreed between the relevant Issuer and the relevant Dealer for each Series of Floating Rate Notes.

Floating Rate Notes may also have a maximum interest rate, a minimum interest rate or both.

Interest on Floating Rate Notes in respect of each Interest Period, as selected prior to issue by the relevant Issuer and the relevant Dealer, will be payable on such Interest Payment Dates specified in, or determined pursuant to, the applicable Pricing Supplement and will be calculated on the basis of the relevant Day Count Fraction as may be agreed between the relevant Issuer and the relevant Dealer.

Benchmark Replacement: If, in respect of any Floating Rate Notes (where Screen Rate Determination is specified as being applicable in the applicable Pricing Supplement) or Reset Notes (where the Reset Reference Rate is specified as being Mid-Swap Rate in the applicable Pricing Supplement), "Benchmark Replacement" is specified as being applicable in the applicable Pricing Supplement, upon the occurrence of a Benchmark Event (as defined in the Conditions), the provisions of Condition 5(d) will apply to the determination of the Rate of Interest for such Notes.

Zero Coupon Notes: Zero Coupon Notes will be offered and sold at a discount to their nominal amount and will not bear interest other than in the case of late payment.

Change of Interest Basis Notes: Notes may be converted from one interest basis to another if so provided in the applicable Pricing Supplement.

Redemption: The applicable Pricing Supplement relating to each Tranche of Notes will indicate either that the Notes of such Tranche cannot be redeemed prior to their stated maturity (other than subject to certain conditions, at the option of the relevant Issuer for taxation reasons, following an MREL Disqualification Event (in the case of Tier 2 Notes, Senior Non-Preferred Notes or Senior Preferred Notes only and if specified as applicable in the relevant Pricing Supplement) or following a Capital Disqualification Event (in the case of Tier 2 Notes only and if specified as applicable in the relevant Pricing Supplement) or following an Event of Default or Restricted Event of Default (as applicable)), or that such Notes will be redeemable at the option of the Issuer ("Issuer Call") and/or (in relation to Senior Preferred Liquidity Notes only) the Noteholders ("Investor Put") upon giving not less than the minimum nor more than the maximum days' irrevocable notice as is indicated in the applicable Pricing Supplement to the Noteholders or the Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such terms as are indicated in the applicable Pricing Supplement.

Prior to their stated maturity, Senior Preferred Notes, Senior Non-Preferred Notes and Tier 2 Notes may not be redeemed at the option of the holders and may only be redeemed by the Issuer with the permission of the Relevant Regulator and/or the Relevant Resolution Authority (as applicable and if required) and otherwise in accordance with Capital Regulations or MREL Requirements (as the case may be).

Unless otherwise permitted by the current laws and regulations, Notes having a maturity of less than one year may be subject to restrictions on their denomination and distribution, see "*Certain Restrictions: Notes having a maturity of less than one year*" above.

Substitution and Variation: If, in the case of any Series of Notes, "Substitution and Variation" is specified as being applicable in the

relevant Pricing Supplement and: (i) with respect to any Series of Tier 2 Notes, Senior Preferred Notes or Senior Non-Preferred Notes, an MREL Disqualification Event has occurred and is continuing, (ii) with respect to any Series of Tier 2 Notes, a Capital Disqualification Event has occurred and is continuing or (iii) with respect to any Notes, any of the events described in Condition 6(b) has occurred and is continuing, or in order to ensure the effectiveness and enforceability of Condition 18, then the relevant Issuer may, subject as provided in Condition 6(k) or 6(l) (as applicable) of the Notes, substitute all (but not some only) of such Series of Notes for, or vary the terms of such Series of Notes (including, without limitation, changing the governing law of Condition 18) so that the Notes remain or become Qualifying Notes.

Taxation:

All payments in respect of the Notes and Coupons will be made without withholding or deduction for or on account of Taxes imposed by a Taxing Jurisdiction (as those terms are defined in Condition 10) unless required by law, as provided in Condition 10. In such event, the Issuer will, save in certain limited circumstances provided in Condition 10, be required to pay such additional amounts in respect of interest and, in respect of the Senior Preferred Liquidity Notes only, principal and premium, as will result in the receipt by the holders of the Notes or Coupons of such amounts as would have been receivable by them had no such withholding or deduction been required.

The relevant Issuer's obligation to pay additional amounts in respect of any withholding or deduction in respect of taxes under the terms of the Senior Preferred Notes, Senior Non-Preferred Notes and Tier 2 Notes applies only to payments of interest due and paid under such Notes and not to payments of principal. As such, the relevant Issuer would not be required to pay any additional amounts under the terms of the Senior Preferred Notes, Senior Non-Preferred Notes and Tier 2 Notes to the extent any withholding or deduction applied to payments of principal.

Prospective purchasers of the Notes are advised to consult their own tax advisors as to the tax

	consequences of the purchase, ownership and disposal of the Notes.
Negative Pledge:	The Notes do not contain a negative pledge provision.
Cross Acceleration:	The Senior Preferred Liquidity Notes will contain a cross acceleration provision as further described in Condition 11(1)(a). The Senior Preferred Notes, the Senior Non-Preferred Notes and the Tier 2 Notes will not contain a cross acceleration provision.
Status of the Senior Preferred Liquidity Notes and Senior Preferred Notes:	Subject to any mandatory provisions of law, the Senior Preferred Liquidity Notes and Senior Preferred Notes will constitute direct, unconditional, unsubordinated and unsecured obligations of the relevant Issuer and will rank: (A) *pari passu* without any preference among themselves; and (B) at least *pari passu* with all other present and future unsecured and unsubordinated obligations of such Issuer (save for such obligations as may be preferred (with a higher ranking) by mandatory provisions of applicable law) in terms of ranking compared with the Notes; and (C) in priority to Junior Liabilities (to Senior Preferred Notes).
Status of Senior Non-Preferred Notes:	The Senior Non-Preferred Notes are intended to constitute Senior Non-Preferred Liabilities and, subject to any mandatory provisions of law, constitute direct, unconditional, unsubordinated and unsecured obligations of the relevant Issuer which will at all times rank: (i) *pari passu* without any preference among themselves; (ii) at least *pari passu* with all other Senior Non-Preferred Liabilities; (iii) in priority to Junior Liabilities (to Senior Non-Preferred Notes) (as defined below); and (iv) junior to present and future obligations of the relevant Issuer in respect of Senior Creditors of the Issuer (to Senior Non-Preferred Notes).
Status of the Tier 2 Notes:	Subject to any mandatory provisions of law, the Tier 2 Notes will be direct, unsecured and subordinated obligations of the relevant Issuer which will at all times rank *pari passu* without any preference among themselves. The claims of the Noteholders will be subordinated to the claims of Senior Creditors of the Issuer (to Tier 2 Notes) (as defined below) in that, in

	the event of the winding up or special liquidation (within the meaning of article 145 of the Banking Law, as defined below) of the relevant Issuer, payments of principal and interest in respect of the Notes will be conditional upon the relevant Issuer being solvent at the time of payment by the relevant Issuer and in that no principal or interest shall be payable in respect of the Notes at such time except to the extent that the relevant Issuer could make such payment and still be solvent immediately thereafter.
Denomination of Notes:	The Notes will be issued in such denominations as may be agreed between the relevant Issuer and the relevant Dealer and as indicated in the applicable Pricing Supplement save that the minimum denomination of each Note will be such amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency (see "*Certain Restrictions: Notes having a maturity of less than one year*" above) and save that the minimum denomination of each Note will be €100,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency).
Rating:	Piraeus Financial Holdings has been rated Caa2 (positive outlook) for long term issuer rating by Moody's and B- (stable outlook) for issuer credit rating by S&P Global. Piraeus Bank has been rated B3 (positive outlook) for long term bank deposit rating and NP for short term bank deposit rating by Moody's, B (stable outlook) for issuer credit rating by S&P Global and CCC+ for long term issuer default rating by Fitch. With respect to Piraeus Financial Holdings S.A., the Programme has been rated Caa2 (senior unsecured debt) and Caa2 (subordinated debt) by Moody's, B- (long term senior unsecured debt), B (short term senior unsecured debt) and CCC (subordinated debt) by S&P Global. With respect to Piraeus Bank S.A., the Programme has been rated Caa1 (senior unsecured debt) and Caa2 (subordinated debt) by Moody's, B (long term senior unsecured debt), B (short term senior unsecured debt) and CCC (subordinated debt) by S&P Global and CCC (long term senior preferred

	debt) and C (short term senior preferred debt) by Fitch. Series of Notes issued under the Programme may be rated or unrated. Where a Series of Notes is rated, such rating will be disclosed in the applicable Pricing Supplement and will not necessarily be the same as the ratings assigned to the Programme. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.
Listing and Admission to Trading:	Application has been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be admitted to trading on the Euro MTF and to be listed on the Official List of the Luxembourg Stock Exchange. The Notes may also be listed on such other or further stock exchange or stock exchanges (other than in respect of an admission to trading on any market in the EEA which has been designated as a regulated market for the purposes of MiFID II) as may be agreed between the Issuer and the relevant Dealer in relation to each issue. Notes which are neither listed nor admitted to trading on any market may also be issued.
Selling Restrictions:	There are restrictions on the offer, sale and transfer of the Notes in the United States, Japan, Singapore, the United Kingdom and the EEA and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes. See "*Subscription and Sale*" below.
Governing Law:	The Programme Agreement, the Agency Agreement, the Deed of Covenant, the Notes, the Coupons and any non-contractual obligations arising out of or in connection with the Programme Agreement, the Agency Agreement, the Deed of Covenant, the Notes and the Coupons are governed by, and shall be construed in accordance with, English law except that Conditions 3(b), 3(c), 4(b), 4(c), 18 and 21 are governed by and shall be construed in accordance with Greek law.
United States Selling Restrictions:	Reg. S Compliance Category 2; TEFRA D/TEFRA C/TEFRA not applicable, as specified in the applicable Pricing Supplement.

RISK FACTORS

Investing in the Notes, investors assume the risk that PFH or Piraeus Bank (as applicable) may become insolvent or otherwise be unable to make all payments due in respect of the Notes. There is a wide range of factors which individually or together could result in the relevant Issuer becoming unable to make all payments due in respect of the Notes. It is not possible to identify all such risks or to determine which risks are most likely to occur, as the Issuers may not be aware of all relevant risks and certain risks which they currently deem not to be material may become material as a result of the occurrence of events outside their control. The Issuers have identified in this Offering Circular a number of factors which could materially adversely affect their respective businesses and ability to make payments due under the Notes.

In addition, factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.

Prospective investors should also read the detailed information set out elsewhere in this Offering Circular and reach their own views prior to making any investment decision.

INVESTING IN THE NOTES MAY INVOLVE SUBSTANTIAL RISKS AND MAY BE SUITABLE ONLY FOR INVESTORS WHO HAVE THE KNOWLEDGE AND EXPERIENCE IN FINANCIAL AND BUSINESS MATTERS NECESSARY TO ENABLE THEM TO EVALUATE THE RISKS AND THE MERITS OF AN INVESTMENT IN THE NOTES. PRIOR TO MAKING AN INVESTMENT DECISION, PROSPECTIVE INVESTORS SHOULD CONSIDER CAREFULLY, IN LIGHT OF THEIR OWN FINANCIAL CIRCUMSTANCES AND INVESTMENT OBJECTIVES, (I) ALL THE INFORMATION SET FORTH IN THIS OFFERING CIRCULAR AND, IN PARTICULAR, THE CONSIDERATIONS SET FORTH BELOW AND (II) ALL THE INFORMATION SET FORTH IN THE APPLICABLE PRICING SUPPLEMENT. PROSPECTIVE INVESTORS SHOULD MAKE SUCH ENQUIRIES AS THEY DEEM NECESSARY WITHOUT RELYING ON THE RELEVANT ISSUER OR ANY DEALER.

CERTAIN ISSUES OF NOTES INVOLVE A HIGH DEGREE OF RISK AND POTENTIAL INVESTORS SHOULD BE PREPARED TO SUSTAIN A LOSS OF ALL OR PART OF THEIR INVESTMENT.

FACTORS THAT MAY AFFECT PIRAEUS FINANCIAL HOLDINGS' ABILITY TO FULFIL ITS OBLIGATIONS UNDER NOTES ISSUED BY IT UNDER THE PROGRAMME.

Piraeus Financial Holdings is a financial holding company.

Notes issued by Piraeus Financial Holdings are the obligation of Piraeus Financial Holdings only. Piraeus Financial Holdings is a financial holding company (within the meaning of article 4 par. 1 (20) of the CRR) with limited business activity and conducts substantially all of its trading activities through its direct subsidiary, Piraeus Bank Société Anonyme, and the other components of the Group. Piraeus Financial Holdings' subsidiaries are separate and distinct legal entities, and have no obligations to pay any amounts due to Noteholders on behalf of Piraeus Financial Holdings or to provide Piraeus Financial Holdings with funds to meet any of Piraeus Financial Holdings' payment obligations under the Notes issued by it. As Piraeus Financial Holdings is a holding company, its ability to make payments to the Noteholders in respect of Notes issued by it depends largely upon the receipt of dividends, distributions, loans or advances from its subsidiaries. The ability of those subsidiaries to pay dividends, distributions, loans or advances may be subject to applicable laws and such subsidiaries needing to be in sufficient funds.

Piraeus Financial Holdings' rights to participate in the assets of any subsidiary (including Piraeus Bank Société Anonyme) if such subsidiary is liquidated will be subject to the prior claims of such subsidiary's creditors and any preference shareholders, except in the circumstance where Piraeus Financial Holdings is also a creditor of such subsidiary with claims that are recognised to be ranked ahead of or *pari passu* with such claims. Accordingly, if one of Piraeus Financial Holdings' subsidiaries were to be wound up, liquidated or dissolved, (i) Noteholders would have no right to

proceed against the assets of such subsidiary, and (ii) Piraeus Financial Holdings would only recover any amounts (directly, or indirectly through its holdings of other subsidiaries) in the liquidation of that subsidiary in respect of its direct or indirect holding of ordinary shares in such subsidiary, if and to the extent that any surplus assets remain following payment in full of the claims of the creditors and preference shareholders (if any) of that subsidiary. As well as the risk of losses in the event of a Group subsidiary's insolvency, Piraeus Financial Holdings may suffer losses if any of its loans to, or investments in, its subsidiaries are subject to statutory write-down and conversion powers or if the subsidiary is otherwise subject to resolution proceedings. Piraeus Financial Holdings may in the future make loans to Piraeus Bank Société Anonyme and its other subsidiaries, with the proceeds received from Piraeus Financial Holdings' issuance of debt instruments.

Where securities issued by Piraeus Financial Holdings have been structured so as to qualify as capital instruments under CRD and CRR, the terms of the corresponding on-loan to Piraeus Bank Société Anonyme may be structured to achieve equivalent regulatory capital treatment for such subsidiary. Accordingly, loans to Piraeus Bank Société Anonyme may contain contractual mechanisms that, upon the occurrence of a trigger related to the prudential or financial condition of Piraeus Bank Société Anonyme, would automatically result in a write-down or conversion into equity of such loans.

Piraeus Financial Holdings retains its absolute discretion to restructure such loans to (or any other investments in) any of its subsidiaries, including Piraeus Bank Société Anonyme, at any time and for any purpose including, without limitation, in order to provide different amounts or types of capital or funding to such subsidiary as part of meeting regulatory requirements, including the implementation of MREL or the total loss absorbing capacity in respect of the Group. A restructuring of a loan or investment made by Piraeus Financial Holdings in a Group subsidiary could include changes to any or all features of such loan, including its legal or regulatory form, how it would rank in the event of resolution and/or insolvency proceedings in relation to the Group subsidiary, and the inclusion of a mechanism that provides for an automatic write down and/or conversion into equity upon specified triggers. Any restructuring of Piraeus Financial Holdings' loans to any of the Group's subsidiaries may be implemented by Piraeus Financial Holdings without prior notification to, or consent of, Noteholders.

FACTORS THAT MAY AFFECT AN ISSUER'S ABILITY TO FULFIL ITS OBLIGATIONS UNDER NOTES ISSUED BY IT UNDER THE PROGRAMME.

Risks relating to the Hellenic Republic and the global macro-economic environment

Adverse developments in the global economic activity and the effects of the COVID-19 pandemic on the Greek economy have had, and are likely to continue to have, material and adverse effects on the Group's business, results of operations and financial condition.

The majority of the Group's business is in Greece, accounting for 99% of the Group's assets. As a result, macroeconomic developments and political conditions in Greece affect the Group's business and results of operations, the quality of its assets and general financial condition directly and significantly.

During the period between 2010 and 2018, the Hellenic Republic faced sizeable pressure on its public finances and received financial assistance under consecutive support programmes sponsored by the European Commission, the European Central Bank (the "ECB"), the European Stability Mechanism ("ESM") and the International Monetary Fund (the "IMF"). The Greek economy encountered significant fiscal challenges and structural weaknesses. Greece completed its last three-year ESM financial assistance programme (the "Third Economic Adjustment Programme") in August 2018. As at the date of this Offering Circular, the current long-term credit ratings of Greece by Moody's, S&P Global, and Fitch are Ba3 (stable), BB (positive), and BB (stable) respectively. Any adverse revisions to the Hellenic Republic's credit ratings by such or similar international rating agencies may adversely impact the Group's general financial condition, business and results of operation. For a more detailed discussion on the credit rating of the Hellenic Republic, see "—*The Group's borrowing costs, liquidity levels and access to the capital and interbank markets are directly related to the credit rating of the Hellenic Republic affecting the Issuers' credit ratings*".

Beginning in December 2019, the coronavirus disease ("COVID-19") has spread rapidly throughout the world contributing to a macroeconomic framework of uncertainty, creating disruptions and significant volatility in the financial markets. As a response, many governments have implemented policies designed to prevent or delay the spread of COVID-19, such as mandatory closure of business, travel restrictions and social distancing, and these measures may remain in effect for a significant period of time. These containment measures taken to face the COVID-19 outbreak significantly reduced, and may again reduce in the future, economic activity and a reapplication of such measures could result in local, regional or national recessions. Although COVID-19 vaccination programmes are progressing, as at the date of this Offering Circular, such measures may be reinstated and impact economic activity. It remains unclear how long these restrictions will have to be in place and what their ultimate impact will be on global, regional and national economies. There can also be no assurances that a potential tightening of liquidity conditions in the future as a result of, for example, further deterioration of public finances of certain European countries will not lead to new funding uncertainty, resulting in increased volatility and widening credit spreads. Risks related to the economic development in Europe have also had and, despite the recent periods of moderate stabilisation, may continue to have, a negative impact on global economic activity and the financial markets. If these conditions continue to persist, or should there be any further turbulence in these or other markets, this could have a material adverse effect on the Group's business, results of operations, financial condition or prospects. In addition, the Group may be faced with deteriorating asset quality arising from its participation in Greek state sponsored financing schemes, part of the Greek state's response to the COVID-19 crisis. There are no comparable recent events that could provide the Group with guidance as to the effect of the spreading of COVID-19 and the resulting global pandemic, and, consequently, the final impact of the COVID-19 pandemic or of any similar health epidemic is highly uncertain and subject to change.

Since mid-March 2020, in order to combat the uncertainty and the negative economic effects of those containment actions, the Greek government also announced several measures to alleviate the negative effects on the Greek economy, and particularly on businesses, professionals and employees, some of them in cooperation with EU institutions. The pandemic and the actions taken to reduce its spread have had, and are likely to have again in the future, negative impacts on the Group's business, such as causing declines in demand for services mainly addressed to tourists such as FX transactions, money withdrawals and credit card transactions, deterioration of the Group's asset quality and formation of new NPEs when the debt moratoria offered to the Group's business and retail customers expire (for a more detailed discussion on the risks associated with a potential expiration or scale-down of the COVID-19 related moratoria see "*—Risks relating to the Group's business—Expiration or scale-down of COVID-19 related moratoria may increase the Group's level of NPEs, which could have an adverse effect on its financial position, capital adequacy and results of operations*"), delays in the collection and liquidation operations due to the disruptions in the judicial procedures, limitations on the Group's employees' ability to travel, significant changes in the economic or political conditions.

The degree to which COVID-19 impacts the Group's results of operations, liquidity, access to funding and financial position is outside of the Group's control and will depend on future developments such as the spread of the virus and the response of the local authorities and the global community, which are still uncertain and cannot be predicted. These developments may include, but are not limited to, the duration and spread of COVID-19, its severity, actions taken to contain the virus or treat its impact, the extent and effectiveness of economic stimulus and how quickly, to what extent normal economic and business activity can resume and the possibility to experience further lockdown periods. Moreover, even after the outbreak of the COVID-19 pandemic has subsided, the Group may continue to face material adverse impacts on its business as a result of its global economic impact, including any recession, economic slowdown or increases in unemployment levels that have occurred or may occur in the future. Additionally, the unprecedented necessity of working remotely has strengthened the financial position and competitive advantage in the electronic banking and other electronic financial services provided by fin-tech companies in an unprecedented way, which has in turn increased the Group's field of competitors in the fin-tech space. Such increased

competition in a fast-growing aspect of the Group's business could have a negative impact on its business and results of operation.

In 2020, Greece's real GDP decreased by 8.2% compared to 2019, as reported by the ELSTAT, and a recovery of 4.3% in 2021 and increase by 6.0% in 2022 is expected, as estimated by the European Commission in its 2021 Summer forecasts (7 July 2021). In H1.2021 GDP growth stood at 7.0% signalling a steep economic recovery for the country. This forecast remains subject to a high level of uncertainty, particularly in relation to the tourism sector following the easing of restrictions due to COVID-19, while additional risks stem from the speed of recovery of the private sector after the phasing out of the support measures, which will need to be carefully timed to avoid a surge of new bankruptcies and limit any ramifications on the labour market.

In June 2021, Greece's seasonality adjusted unemployment rate amounted to 15.0%, the highest among its European peers, as reported by the ELSTAT. Although Greece has been on a positive GDP growth trajectory since 2017, the current global economic downturn, mainly caused by the spread of COVID-19 and its new strains and mutations, resulted in a significant GDP contraction in 2020. Amidst this health crisis, after showing signs of recovery during the last two years, the Greek real estate market has been negatively impacted. The residential property prices (the apartment price index of the Bank of Greece) have decelerated to 4.3% growth in 2020 and further decelerated to 3.2% growth in the first quarter of 2021, following a 7.2% increase in 2019.

In addition to the COVID-19 pandemic, the macroeconomic environment has also been negatively influenced by the uncertainty caused by the withdrawal of the UK from the EU. In particular, on 31 January 2020, the UK ceased to be a member of the EU and the EEA. By virtue of the European Union (Withdrawal) Act 2018 and the Withdrawal Agreement, EU law and EU-derived domestic legislation continued to apply to and in the UK during a transition period ended on 31 December 2020. During the transition period, the UK continued to be treated as a member state under EU law unless otherwise specified. On 24 December 2020, an agreement in principle was reached in relation to EU-UK trade and cooperation (the "Trade and Cooperation Agreement"), to govern the future relations between the EU and UK following the end of the transition period, which entered into force on 1 May 2021. While the Trade and Cooperation Agreement has decreased uncertainty as regards the structure of the future relationship between the UK and the EU, the precise impact of the withdrawal of the UK from the EU on the European economy generally, and on the Greek economy and on the Group's business in particular, remains difficult to predict. Accordingly, no assurance can be given that the UK's withdrawal from the EU will not adversely affect the Group's business, financial condition and results of operations and its liquidity position.

Adverse changes in the perceived or actual economic climate, including higher unemployment rates, declines in income levels and loss of personal wealth caused by the effect of the COVID-19 pandemic or other global adverse events could negatively affect the Group's business, operating results, financial condition and prospects, potentially compressing the Group's profit margin and its ability to increase its fees.

Political, geopolitical and economic developments could adversely affect the Group's operations.

External factors, such as political, geopolitical and economic developments, may negatively affect the Group's operations, strategy and prospects both in and outside Greece. The Group's financial condition and operating results as well as the Group's strategy and financial prospects may be adversely affected by events outside the Group's control, which include, but are not limited to:

- changes in government and economic policies;
- political instability, military conflicts or geopolitical tensions that impact South-Eastern Mediterranean Europe and/or other regions;
- changes in the level of interest rates imposed by the ECB;
- fluctuations in consumer confidence and the level of consumer spending;
- regulations and directives relating to the banking and other sectors; and

- taxation and other political, geopolitical and economic or social risks relating to the Group's business development.

Relations between Greece and Turkey soured in 2020 over competing geopolitical and economic interests in the region of Eastern Mediterranean Sea. Other regional powers with interests in the region have been involved in this escalation. An influx of immigrants and refugees from the Turkish border to Greece also added to these tensions. The uncertainty created by such escalation and any potential further deterioration of the relations between Greece and Turkey that may lead intentionally or unintentionally to a military conflict would have a negative effect on the Hellenic Republic, its finances, the consumer confidence and could adversely affect the Group's business, financial condition and results of operations.

In addition, any adverse developments in the global economy may negatively affect the overall economic environment and by extension the Greek economy leading to higher unemployment rates and negative GDP growth with corresponding negative consequences for the Group's business, financial condition and results of operations.

The Group's borrowing costs, liquidity levels and access to the capital and interbank markets are directly related to the credit rating of the Hellenic Republic affecting the Issuers' credit ratings.

Downgrades of the Hellenic Republic's rating had occurred in the past, especially since the onset of the financial crisis in 2009, and may occur in the future in the event of a deterioration in the country's public finances as a result of weaker economic performance due to the COVID-19 pandemic or any other reason. In such circumstances, the cost of borrowing for the Hellenic Republic would increase, with negative effects on the cost of borrowing for Greek banks and therefore on their results of operations (for a more detailed discussion on the impact of the COVID-19 pandemic and its effects on the economic activity globally and in Greece, see "*—Adverse developments in the global economic activity and the effects of the COVID-19 pandemic on the Greek economy have had, and are likely to continue to have, material and adverse effects on the Group's business, results of operations and financial condition*").

Historically, Piraeus Financial Holdings and/or Piraeus Bank Société Anonyme's credit ratings have been affected by the credit rating of the Hellenic Republic. Consequently, downgrades to the credit ratings of Greece could negatively affect the credit ratings of Piraeus Financial Holdings and Piraeus Bank Société Anonyme and these credit ratings could remain at a low level for a prolonged period of time. Negative publicity following credit rating downgrades may continue to have an adverse effect on depositors' sentiment, which may increase the Group's borrowing costs and decrease available liquidity.

The most recent credit ratings of Piraeus Financial Holdings by the international ratings agencies are as follows: Moody's as at 11 May 2021 assigned a rating of Caa3 (positive outlook) and S&P as at 30 December 2020 assigned a rating of B- (stable outlook). The most recent credit ratings of Piraeus Bank Société Anonyme by the international ratings agencies are as follows: Moody's as at 11 May 2021 assigned a rating of Caa2 (positive outlook); S&P as at 27 April 2021 assigned a rating of B (stable outlook); and Fitch as at 7 May 2021 assigned a rating of CCC+. If such credit ratings remain at a low level, coupled with the deterioration of market conditions, this may also trigger additional collateral requirements in derivative contracts and other secured funding arrangements. As a result, the Group's counterparties may no longer be willing to enter into hedging transactions with the Group and lead to higher spreads on bonds and further restrict the Group's ability to use collateral to secure funding.

Risks relating to the Group's business

The Group may not be able to complete the remaining parts of the Capital Enhancement Plan on a timely basis, if at all, and this might have an adverse impact on the execution of the NPE Reduction Plan and the implementation of the Transformation Plan.

The Capital Enhancement Plan is intended to strengthen the Group's capital position through a series of capital enhancing actions of approximately €3 billion in 2021, which the Group believes will enable the execution of the NPE Reduction Plan and facilitate the implementation of the Group's

long-term strategy pursuant to the Transformation Plan. As part of the Capital Enhancement Plan, Piraeus Financial Holdings has already completed a non-preemptive share capital increase, raising €1.38 billion through the issuance of 1,200,000,000 new ordinary registered shares at an offering price of €1.15 per share in the share capital of Piraeus Financial Holdings (the "**Share Capital Increase**") and an Additional Tier 1 debt issuance of €600 million. Piraeus Financial Holdings believes that the timely execution of the remaining components of the Capital Enhancement Plan, will help it to better sustain anticipated losses to be incurred from the NPE sales contemplated by the NPE Reduction Plan. Other actions-part of the Capital Enhancement Plan comprise the monetisation of the Group's sovereign bond portfolios, the sale of the Group's merchant acquiring business to EFT Services Holding B.V. and the synthetic securitisation of performing SME and corporate loan portfolios (please see "*Piraeus Financial Holdings S.A.—The Group's strategy—Optimise the Group's balance sheet by executing the Capital Enhancement Plan and the NPE Reduction Plan—The Capital Enhancement Plan*").

More specifically, as part of the Capital Enhancement Plan, the Group proceeded with the sale of its merchant acquiring business to EFT Services Holding B.V., a subsidiary of Euronet Worldwide, a leading international payment services provider. Although the Group entered into a binding agreement for this sale on 16 March 2021, the completion of this transaction remains subject to customary closing conditions, including the receipt of necessary approvals from the relevant supervisory and regulatory authorities. The transaction is expected to be completed in the early fourth quarter of 2021. Furthermore, the Group also entered into a synthetic securitisation of performing loans, mainly small-medium sized enterprise ("SME") and corporate loan portfolios through the purchase of synthetic credit protection from private market participants, aiming to achieve total risk-weighted assets relief of approximately €2 billion, which is expected to be completed in two transactions. The Group signed an agreement for the first transaction on 11 March 2021, which was completed in the second quarter of 2021, leading to a risk-weighted assets relief of approximately €800 million. The second transaction is intended to be completed by the end of 2021 and is expected to lead to risk-weighted assets relief of approximately €1.2 billion.

It is uncertain whether it will be possible to successfully or timely implement all the components of the Capital Enhancement Plan, NPE Reduction and Transformation Plan. The Group's ability to execute the Capital Enhancement Plan, NPE Reduction and Transformation Plan is subject to inherent risks and uncertainties, including market-related and commercial risks that are beyond the Group's control. Any failure to generate additional capital through the Capital Enhancement Plan could delay the execution of the NPE Reduction Plan, negatively impact the implementation of the Transformation Plan and otherwise negatively affect the Group's business and results of operations (for a detailed discussion of the NPE Reduction Plan and Transformation Plan, please see *"Piraeus Financial Holdings S.A.—The Group's strategy—Optimise the Group's balance sheet by executing the Capital Enhancement Plan and the NPE Reduction Plan—The NPE Reduction Plan"* and *"Piraeus Financial Holdings S.A.—The Group's strategy—Optimise the Group's balance sheet by executing the Capital Enhancement Plan and the NPE Reduction Plan—The Transformation Plan"*).

If the Group is unable to implement its strategies and capital enhancing actions as part of the Capital Enhancement Plan, the Group's ability to execute the NPE Reduction Plan and the Transformation Plan will be severely restricted, an outcome which will adversely impact the Group's business operations and financial condition. The Group's ability to fully execute the NPE Reduction Plan depends on the generation of sufficient regulatory capital through the implementation of the Capital Enhancement Plan, it is necessary to offset the losses resulting from the NPE Reduction Plan with the capital generated through the execution of the Capital Enhancement Plan. Thus, any delays or shortfall relating to the execution of the Capital Enhancement Plan may lead to a recalibration of the scope of the NPE Reduction Plan or delays in its execution as envisaged. See also "*—The Group may not be able to execute the NPE Reduction Plan on a timely basis, or in its entirety, which may negatively impact the Group's business, financial condition, capital adequacy or results of operations*".

NPEs and past due loans have had and may continue to have a material adverse effect on the Group's financial position, capital adequacy and operating results.

NPEs represent one of the most significant challenges for the Greek banking system. Based on March 2021 data, NPEs of the Greek banks have decreased by 31% compared to 31 December 2019 and by 55.9% compared to March 2016, when NPEs reached their peak, dropping to €47.3 billion (standalone figure) representing 30.3% of their total exposures. In September 2020, Greek banks submitted to the Bank of Greece updated interim NPE plans to reduce their NPEs, while in March 2021 submitted and revised NPE plans for the period up to 2023.

In order to facilitate the management of the Group's NPE portfolio, the Group entered into a long-term strategic partnership with Intrum for the management by Intrum Hellas Credit Servicing S.A. ("Intrum Hellas") of its NPEs and real estate owned assets portfolio (the "REOs") through the establishment of a market-leading independent non-performing assets servicing platform in Greece on 3 June 2019. Despite such accelerated efforts, NPEs remain high across most asset classes. As at 31 December 2020, the Group's NPEs amounted to €22,448 million and its NPE ratio was 45.3%, reflecting a decrease of €2,026 million in 2020, compared to €24,474 million of NPEs corresponding to 48.8% NPE ratio as at 31 December 2019. As at 30 June 2021, the Group's NPEs amounted to €8,997 million and its NPE ratio was 24.6%. For a more detailed discussion of the Group's plans to decrease NPEs, see "*Piraeus Financial Holdings S.A.—The Group's strategy—Optimise the Group's balance sheet by executing the NPE Reduction Plan and the Capital Enhancement Plan*".

While the engagement of an independent servicer aims to enhance the Group's NPE recovery prospects, such strategy entails certain business and operational risks. The Group's ability to realise the expected synergies and other benefits and achieve an improvement on the NPE recovery process may be affected by a number of factors, including implementing the appropriate financial incentives, proper co-ordination of the management and/or disposal of NPEs, rigorous application of credit standards, avoidance of capital-diluting write-offs and other actions, as well as the ability to share information and render information technology (the "**IT**") systems compatible with the operations of the independent servicer, all of which may materially and adversely affect the Group's financial condition, capital adequacy and operating results.

In light of this and pursuant to the 2020 SREP Decision, the ECB recommended that, with respect to the exposures classified as NPEs on 31 March 2018, Piraeus Bank Société Anonyme achieve (i) for secured NPEs older than seven years, a 40% coverage by year-end 2020, with a linear adjustment path to full coverage by year-end 2026, and (ii) for unsecured NPEs older than 2 years, a 50% coverage is achieved by year-end 2020, with a linear adjustment path to full coverage by year-end 2025. Pursuant to the same decision, Piraeus Bank Société Anonyme submitted an update of its three-year strategic and operational plan to the ECB on 31 March 2021, to address its NPE levels and foreclosed assets in the period from 31 December 2020 to 31 December 2023, as well as a qualitative strategy documentation outlining the core aspects of such plan, which includes a clear quantitative target to reduce its NPEs and foreclosed assets, both gross and net of provisions. The updated three-year strategic and operational plan incorporates the NPE disposal projects which the Group has announced as part of the NPE Reduction Plan (see "*Piraeus Financial Holdings S.A.—The Group's strategy—Optimise the Group's balance sheet by executing the NPE Reduction Plan and the Capital Enhancement Plan*"). Finally, an implementation report regarding the progress of the aforementioned plan has been submitted to the ECB on 6 September 2021 (based on data published as at 30 June 2021).

Following the economic aftermath of the COVID-19 pandemic, a weaker than expected improvement in the macroeconomic performance, or weaker recovery of domestic demand may lead to lower growth, perpetuate debt problems and lead to additional NPE generation. Furthermore, any potential change in the regulatory stance could result in an increase of future provisions, the need for additional capital, the classification of loans and exposures as "non-performing" and a significant decrease in the Group's revenue, which could materially and adversely affect the Group's financial position, capital adequacy and operating results. The declining net interest income that may result from the disposal of NPEs under the NPE Reduction Plan and/or lower than expected recoveries from the Group's NPE portfolio managed by Intrum Hellas could negatively impact the Group's profitability, while also severely restricting its ability to lend and render additional capital enhancing actions necessary.

The Group may not be able to execute the NPE Reduction Plan on a timely basis, or in its entirety, which may materially and negatively impact the Group's business, financial condition, capital adequacy or results of operations.

As at 31 December 2020, the Group's NPEs amounted to €22,448 million and the NPE ratio was 45.3%. As at 30 June 2021, the Group's NPEs amounted to €8,997 million and the NPE ratio was 24.6%. The level and amount of NPEs adversely affects the Group's net income through foreclosure costs, operating expenses and taxes.

In connection with the NPE Reduction Plan, the Group has accelerated its efforts to reduce the NPE levels through inorganic disposals including securitisations, utilising the flexibility provided to the Group by the Hellenic Asset Protection Scheme ("HAPS"), as well as additional direct sales of NPEs. The Group is targeting a single-digit NPE ratio after the completion of the NPE Reduction Plan by early 2022 and a less than 3% NPE ratio in the medium term. For the computation of the NPE ratios, the denominator (i) includes the retained senior tranches associated with the HAPS schemes that Piraeus Bank Société Anonyme intends to execute; and (ii) is subject to the evolution of net credit expansion for the period under consideration.

In line with the NPE Reduction Plan, the Group has completed two inorganic NPE reduction transactions (see "*Piraeus Financial Holdings S.A.—The Group's strategy—Optimise the Group's balance sheet by executing the NPE Reduction Plan and the Capital Enhancement Plan*"), namely project "Phoenix" and project "Vega", with a gross book value of €1.9 billion and €4.8 billion, respectively. More specifically, on 23 December 2020, the Group signed a binding agreement with Intrum for the sale of 30% of the mezzanine notes and 50% plus one note of the junior notes of project Phoenix, and on 2 March 2021 it signed a binding agreement with Intrum for the sale of 30% of the mezzanine notes and 50% plus one note of the junior notes of project Vega. Both transactions were subject to customary conditions, the most important of which were the granting of the Greek state guarantee under the currently applicable HAPS scheme, and the approval of the sale of the mezzanine notes by the HFSF, all of which were completed in the second quarter of 2021. The additional NPE reduction projects as per the NPE Reduction Plan are envisaged to be completed by early 2022, by way of two additional securitisations utilising a prolongation of the HAPS scheme, as well as outright NPE sales. Regarding Sunrise 1 NPE Securitisation of approximately 7.0 billion total gross book value, on 15 June 2021 the Group announced that it had reached definitive agreements with Intrum AB and Serengeti Asset Management LP for the sale of 49% and 2% of the mezzanine and junior notes of the securitisation respectively. Securitised loans of Sunrise 1 portfolio have been classified at Group level as held for sale in Q2.2021. The transaction is subject to the ordinary terms and approvals by the SSM on SRT, the competent Greek authorities on the HAPS application, and including the consent of the HFSF.

Notwithstanding the progress achieved towards the completion of the NPE Reduction Plan to date, the execution of each of the individual NPE reduction projects in the Group's plan will be complex and entail certain operational and execution risks, such as the worsening of market conditions, the deterioration in the financial condition of the Group's borrowers, the satisfaction of applicable conditions for the transfer of the mezzanine notes included in the relevant transaction documents, receipt of necessary approvals from third parties, the most important of which are the approval of significant risk transfer by the Single Supervisory Mechanism (the "SSM") so that the relevant securitisation transaction is compliant with the applicable regulatory framework and the approval of the granting of the Greek state guarantee under the HAPS scheme, and other constraints stemming from events beyond the Group's control, including changes in the regulatory landscape, any of which could cause significant interruptions or delays in the implementation of the Group's plans or require the Group to complete these transactions on less favourable terms.

There are a number of critical steps on the NPE securitisation process, the failure of which may risk the execution of the NPE Reduction Plan. The rating by the rating agencies is a prerequisite for the application for the HAPS scheme, while it also may impact the total valuation and attractiveness of the securitisation. Inability to be assigned the required rating by rating agencies may not allow the inclusion in the HAPS, or lower than anticipated size of senior tranches may significantly affect the pricing of the transaction. For more details on the legislation governing non-performing loans securitisations under the HAPS scheme, please see "*Regulatory Considerations—Securitisations -*

the Hellenic Asset Protection Scheme (HAPS)". If the Group is not able to benefit from the HAPS scheme, or if the Group is required to accelerate the reduction of its NPE portfolio to comply with regulatory expectations or recommendations, the Group may be effectively compelled to increase the number of outright NPE portfolio and individual NPE sales, and this may lead to greater capital losses as a result of the difference between the value at which non-performing loans are recorded on Piraeus Financial Holdings' balance sheet and the consideration that market operators specialised in NPE acquisitions are prepared to offer, or to greater write-down of loans or a requirement to create additional provisions. In connection with the NPE Reduction Plan, the Group intends to sell NPE portfolios with an aggregate gross book value of more than €1.4 billion. The Group's ability to complete these portfolio sales may be negatively impacted by deteriorating market conditions, which could decrease demand for outright NPE portfolio sales or negatively affect the pricing terms in such transactions.

Finally, although the Group plans to replenish any lost interest income caused by the de-risking of its balance sheet (with an estimate of €150 million in 2021 and an estimate of €425 million in the medium term), through significant loan expansion and increased fixed income holdings as well as further optimisation of the Group's funding sources, the Group may not be able to timely fully utilise these net interest income drivers due to delays in the recovery of the Greek economy and in particular loan demand or other adverse global macroeconomic developments, market disruptions and unexpected increases in funding costs.

The Group's failure to execute the NPE Reduction Plan on a timely basis, or in its entirety, or on the terms that the Group currently expects and on the basis of which the Group has made its estimates, could adversely affect the Group's financial condition, capital adequacy and operating results. The Group may not be able to dispose of the amount of NPEs as envisaged in the NPE Reduction Plan, a development that would adversely impact the Group's net interest and net fee income generation. The Group would consequently deviate from its initial planning and provisioning strategy as it would still need to comply with the Group's capital adequacy requirements. These developments may lead to lower internal capital generation, thus not enabling the Group to achieve the levels of capital adequacy aspired. See also "*—The Group may not be able to complete the remaining parts of the Capital Enhancement Plan on a timely basis, if at all, and this might have an adverse impact on the execution of the NPE Reduction Plan and the implementation of the Transformation Plan*" and "*—NPEs and past due loans have had and may continue to have a material adverse effect on the Group's financial position, capital adequacy and operating results*".

Furthermore, in case the Group is unable to raise such additional capital by accessing the capital markets or from other private sources, it may request public financial support, which includes, *inter alia*, the implementation of the general bail-in measure or the non-viability loss absorption measure or, in case of extraordinary public financial support of Article 32, paragraph 3(d)(cc) of the Greek BRRD Law, the mandatory burden sharing measures of Law 3864/2010, as amended (the "HFSF Law") (to the extent applicable), each of which could result in the holders of the Notes losing all or part of their investment. Furthermore, the exercise of any such powers may have a material adverse effect on the Group's business, capital adequacy, financial condition, results of operations, reputation and prospects.

Expiration or scale-down of COVID-19 related moratoria may increase the Group's level of NPEs, which could have an adverse effect on its financial position, capital adequacy and results of operations.

In response to the economic effects of the COVID-19 pandemic, the ECB, in March 2020, announced, among others, the introduction of supervisory flexibility regarding the treatment of NPEs. This was meant to allow the banks to benefit from moratoria implemented by public authorities. Similarly, the ECB indicated that it would exercise flexibility concerning loans under the COVID-19 related public moratoria. In March 2020, European Banking Authority (the "EBA") recommended that European banks make full use of the flexibility embedded in the regulatory framework in terms of the classification of loans as non-performing and loss provision expectations for NPEs that are covered by payment moratoria.

Following that, the Hellenic Bank Association (the "HBA") announced various measures to support business and individuals (employees, self-employed and sole proprietors) affected by the crisis. Among other measures, the HBA announced in March 2020 the decision of its members to offer suspension of the instalments of performing loans to individuals and businesses affected by the COVID-19 pandemic. On 3 December 2020, due to the continuing adverse effects of the COVID-19 pandemic, based on the EBA's recommendations, HBA announced the decision of its members to extend the application period for inclusion in the moratoria or an extension of the existing suspension programs until 31 March 2021, under certain eligibility criteria. As at 31 March 2021, the total amount of EBA-compliant moratoria implemented by Piraeus Bank Société Anonyme comprising both active and expired until March 2021, amounted to €6.1 billion. As at 31 March 2021, the vast majority of the active moratoria were mainly related to corporate lending and finance leasing to the hotel industry.

As at 30 June 2021, Piraeus Bank closely monitors the progress of circa €4bn expired debt moratoria. The majority of COVID-19 related debt moratoria is effectively expired, and performance to date is according to expectation, with €0.6bn realised NPE inflows. Close to 10 per cent of the total pool is already under Gefyra1 scheme provisions, while approximately 50 per cent is assumed to naturally cure, since it is performing, whereas circa 25 per cent is either using step-up solutions provided by the Bank or gets support from the Gefyra 2 scheme for businesses, a subsidy programme for corporate loans set up by the Greek government in 2021.

In order to deal with the uncertainty due to the COVID-19 pandemic, with respect to the Group's risk assessment, the Group implemented additional criteria based on probability of default, industry characteristics and pre-COVID-19 pandemic performance, in order to effectively allocate exposures that were subject to COVID-19 related public moratoria. This resulted in an increase in stage 2 loans by €0.8 billion as at 31 December 2020 compared to 2019.

Given the progress achieved so far on vaccination programmes, COVID-19 related moratoria may be retracted or contained. Their expiration will be determined by the EBA's recommendations. The aforementioned parameters, may impair the Group's borrowers' ability to service their loans after moratoria expirations, and may result in an increase in the amount of the Group's NPEs, a higher level of non-performing assets (including real estate owned), net charge-offs and provision for loan losses, which may negatively affect, the Group's banking operations, financial condition, capital adequacy and results of operations.

Following the participation of the HFSF in the share capital of Piraeus Financial Holdings, the management, business decisions and operation may be significantly affected by the HFSF.

Following the recapitalisations of the former Piraeus Bank Société Anonyme as a credit institution in 2013 and 2015, the HFSF has become the largest ordinary shareholder of Piraeus Financial Holdings and as at the date of this Offering Circular, following the conversion of the €2,040,000,000 principal amount of contingent convertible bonds which were exclusively subscribed for by the HFSF with notes issued by the ESM (the "**Contingent Convertible Bonds**") on 4 January 2021, and the recent completion of the Share Capital Increase, the HFSF holds 27% of the voting rights in Piraeus Financial Holdings, 0.04% of which are restricted. As a result of the HFSF's current shareholding in Piraeus Financial Holdings and its veto and consent rights under the HFSF Law and the Relationship Framework Agreement (as defined below), the HFSF may exercise significant influence over certain corporate actions requiring shareholder approval, the functioning and decision making of Piraeus Financial Holdings' Board of Directors, its business, strategy and future prospects. No assurance can be given that, in exercising such rights, the HFSF's interests will always be aligned with the interests of other shareholders. For more information on certain special rights of the HFSF as a major shareholder, please see "*Regulatory Considerations—The HFSF—Special rights of the HFSF*" and "*Regulatory Considerations—The HFSF—The Relationship Framework Agreement*".

Furthermore, pursuant to Article 10 of the HFSF Law, the HFSF establishes, with the assistance of an independent consultant, the criteria for the evaluation of Piraeus Financial Holdings' members of the Board of Directors and the committees and any additional committees the HFSF deems necessary, taking into account international best practices. The HFSF also issues specific recommendations for changes and improvements in the corporate governance of Piraeus Financial

Holdings and Piraeus Bank Société Anonyme under the Relationship Framework Agreement in accordance with the provisions of the HFSF Law. Furthermore, the HFSF, pursuant to the same article of the HFSF Law, is entitled to the appointment of a member to Piraeus Financial Holdings' and Piraeus Bank Société Anonyme's Board of Directors and has the power, according to the HFSF Law to veto, through such member, decisions relating to dividend distributions, remuneration policies and other specifically enumerated commercial and management decisions. For more information on certain special rights that the HFSF as a major shareholder has, please see "*Regulatory Considerations—The HFSF—Special rights of the HFSF*" and "*Regulatory Considerations—The HFSF—The Relationship Framework Agreement*". See also "*Management and Corporate Governance—Management and corporate governance of Piraeus Financial Holdings—Board of Directors*" and "*Management and Corporate Governance—Management and corporate governance of Piraeus Bank Société Anonyme—Board of Directors*" for description of the relevant rights of HFSF.

Consequently, as a result of the powers that the HFSF has under the HFSF Law and the Relationship Framework Agreement, the HFSF may exercise significant influence over the functioning and decision making of each Issuer's Board of Directors and such influence may affect its business and strategy.

The Group is exposed to the financial performance and creditworthiness of companies and individuals in Greece.

Piraeus Bank Société Anonyme is one of the four systemic Greek banks. The Group's business, results of operations and financial condition are significantly exposed to the economic and financial performance, creditworthiness, prospects and economic outlook of companies and individuals in Greece or with a significant economic exposure to the Greek economy. In addition, the Group's business activities depend on the level of customer demand for banking, finance and financial products and services, as well as customers' capacity to service their obligations or maintain or increase their demand for the Group's services. Customer demand and customers' ability to service their liabilities depend considerably on their overall economic confidence, prospects, employment status, the state of the public finances in Greece, investment and procurement by the central government and municipalities and the general availability of liquidity and funding on reasonable terms.

In an environment characterised by continuing market turbulence, negative macroeconomic conditions and high levels of unemployment, combined with decreasing private consumption and corporate investment and the deterioration of credit profiles of corporate and retail borrowers further to the COVID-19 pandemic, the value of the assets which collateralise the loans the Group has extended, including houses and other immovable property, could be significantly reduced. See "*—Risks relating to the Hellenic Republic and the global macro-economic environment—Adverse developments in the global economic activity and the effects of the COVID-19 pandemic on the Greek economy have had, and are likely to continue to have, material and adverse effects on the Group's business, results of operations and financial condition*". Such reduction may lead to the reduction in the value of the loans or an increase in loans in arrears. Since the global spread of COVID-19 continues to dampen the world economy, growth in financial activity was much lower in 2020 and will continue to remain low for the foreseeable future. The Greek economy may not achieve the sustained and robust growth that is necessary to ease the financial constraints of the country and improve conditions for foreign direct investment and the availability of funding from the capital markets. Notwithstanding the success of the Third Economic Adjustment Programme, the Greek economy will continue to be affected by the creditworthiness of commercial counterparties internationally and the repercussions arising from the global economic downturn resulting from the COVID-19 pandemic. The prospect of a severe economic recession, coupled with increasing market uncertainty and volatility in asset prices, higher unemployment rates, and declining consumer spending and business investment, could result in substantial impairments in the values of the Group's loan assets, decreased demand for borrowings, increased deposit outflows and a significant increase in the level of NPEs.

For risks related to increase of the level of the NPEs, see risk factors above "*—Expiration or scale-down of COVID-19 related moratoria may increase the Group's level of NPEs, which could have an adverse effect on its financial position, capital adequacy and results of operation*" and "*—The Group*

may not be able to execute the NPE Reduction Plan on a timely basis, or in its entirety, which may negatively impact its business, financial condition, capital adequacy or results of operations".

A material outflow of customer deposits, particularly retail deposits, an inability to attract new deposits, or an inability to lower the cost of deposits over time, could materially and adversely impact the Group's results, financial condition and prospects, its liquidity position and loan to deposits ratio.

Historically, one of the Group's principal sources of funds has been customer deposits, and retail deposits in particular. As at 31 December 2020, corporate deposits and retail deposits represented 20.2% and 56.8% of the Group's total liabilities, respectively, compared to 24.3% and 64.2%, respectively, as at 31 December 2019. As at 30 June 2021, corporate deposits and retail deposits represented 20.2% and 54.4% of the Group's total liabilities, respectively. As the Group relies on retail deposits for a substantial portion of its funding, if the Group's retail customers withdraw their funds at a rate faster than the rate at which borrowers repay their loans, if the Group is unable to attract new deposits or if it is unable to obtain the necessary liquidity by other means, the Group may incur higher funding costs, have to liquidate some of its assets or increase its funding from the ECB and the Bank of Greece under their respective terms. If funding is required from the ECB, the Bank of Greece, the Emergency Liquidity Assistance ("**ELA**") or any other liquidity assistance scheme, the Group may face additional costs because of the ECB rules relating to the eligibility and valuation of collateral used for funding.

The ongoing availability of deposits to fund the Group's loan portfolio is subject to potential changes in certain factors outside its control, such as depositors' concerns regarding the economy in general, the financial services industry or the Group specifically, the risk of implementation of changes in the framework for supporting the financial credit institutions that are having problems by requiring the participation of their respective shareholders, the creditors and the unsecured depositors and initiatives for taxation of deposits, significant further deterioration in economic conditions in Greece and the availability and extent of deposit guarantees. Government or resolution authority interventions aimed at alleviating the financial recession and preventing a potential bank failure are uncertain and carry additional risks. Unsecured depositors sharing the burden in case of a recapitalisation or liquidation or resolution measures of banks which are subject to the aforementioned process (see "*Regulatory Considerations—Recovery and resolution of credit institutions*"), as well as the taxation of deposits, may result in a loss of customer confidence and lead to further outflows of deposits from the Greek banking system, which would have a material adverse effect on the Group's ability to operate as a going concern.

Any loss in customer confidence in the Group's banking businesses, or in the banking sector in general, could significantly increase the amount of customer deposit withdrawals or increase the cost of deposits in a short period of time, or will not allow the Group to lower the cost of deposits in the medium term. If Piraeus Bank Société Anonyme experiences an unusually high level of withdrawals, this may have an adverse effect on the Group's results, financial condition and prospects. Piraeus Bank Société Anonyme's loans to deposits ratio might be adversely impacted which, in turn, could negatively impact its ability to issue new loans and earn interest income. Unusually, high levels of withdrawals could prevent Piraeus Financial Holdings and Piraeus Bank Société Anonyme from funding operations and meeting minimum liquidity requirements. In those circumstances, the Group may not be in a position to continue operating without additional funding support, which it may be unable to secure.

Deteriorating asset valuations resulting from poor market conditions, particularly in relation to developments in the real estate markets, may adversely affect the Group's future earnings and capital adequacy.

A substantial portion of the Group's loans to corporate and individual borrowers is secured by collateral such as real estate, personal guarantees, vessels, term deposits and receivables. In particular, as residential mortgage loans and mortgage-backed loans, are one of the Group's principal assets, it is highly exposed to volatility in the Greek real estate market. Real estate property values depend on various factors including, among others, current rental values and occupancy rates, prospective rental growth, lease length, tenant creditworthiness and solvency, together with

the nature, location and physical condition of the property concerned, changes in laws and governmental regulations governing real estate usage, zoning and taxes. As a result, the Group is exposed to fluctuations in the real estate market, which are typically cyclical in nature, difficult to predict and are affected by the condition of the economy as a whole. These factors, together with the potential for an extended recession and a slower recovery in the Greek economy tied to the COVID-19 pandemic, could have a negative effect on the property market by reducing the ability of property owners to service their debt or decreasing property prices, which, in turn, could have knock-on effects on deposit rates and lender recoveries.

Decreases in the value of collateral to levels lower than the outstanding principal balance of the corresponding loans, the inability to provide additional collateral, the downturn of the Greek economy as a result of the COVID-19 pandemic or the deterioration of the financial conditions in any of the sectors in which the Group's debtors conduct business may result in further impairment losses and provisions to cover credit risk.

A decline in the value of collateral could also be caused by the deterioration of the financial conditions in Greece or the other markets in which the provided collateral is located. In addition, the Group's failure to recover the expected value of collateral in the case of foreclosure, or its inability to initiate foreclosure proceedings due to applicable legislation, may expose the Group to losses, which could have a material adverse effect on its business, results of operations and financial condition.

In addition, an increase in financial markets volatility or adverse changes in the liquidity of the Group's assets could impair its ability to value certain of its assets and exposures. The value ultimately realised by the Group will depend on the fair value of assets determined at that time and may be materially different from the current market value. Any decrease in the value of such assets and exposures could require the Group to recognise additional impairment charges, which could adversely affect its future earnings and capital adequacy.

The Group may incur significant losses on its trading and investment activities due to market fluctuations and volatility, which may adversely affect the Group's ability to lend and its profitability, which could require it to raise additional capital.

The Group maintain trading and investment positions in debt securities, foreign exchange, equity and the performance of the other markets. These positions could be adversely affected by volatility in financial and other markets and in Greek sovereign debt, creating a risk of substantial losses. Volatility can also lead to losses relating to a broad range of other trading and hedging products the Group uses, including swaps, futures, options and structured products. Significant reductions in estimated or actual values of the Group's assets have occurred as a result of previous events in the market.

The Group's investing portfolio of €8,361 million as at 31 December 2020 comprised financial assets at fair value through profit or loss ("FVTPL"), financial assets mandatorily at FVTPL, financial assets at fair value through other comprehensive income ("FVTOCI") and debt securities at amortised cost, representing 11.7% of the Group's total assets, of which debt securities representing 11.2% of its total assets (€8,036 million) and shares and mutual funds representing 0.5% of its total assets (€327 million). As at 31 March 2021, the Group's investing portfolio stood at €9,696 million, comprising 13.4% of its total assets. As at 30 June 2021, the Group's investing portfolio stood at €12,181 million, comprising 16.2% of its total assets. In addition, the Group carries out various proprietary activities, including the placement of deposits denominated in euro and other currencies in the interbank market, as well as trading in primary and secondary markets for government securities. The management of the Group's own portfolio includes taking positions in fixed income and equity markets, both through spot and derivative products and other financial instruments. Trading on account of the Group's own portfolio carries risks, including risks related to market conditions. Continued volatility and further fragmentation of certain financial markets may affect the Group's financial position, operating results and prospects. In the future, these factors may have an influence on day–to-day valuations of the Group's financial assets and liabilities, recorded at fair value. In addition, volatility could lead to further impairment losses, including impairment of the Group's investment in sovereign debt securities. That may adversely affect the Group's ability to lend and its profitability, which could require the Group to undertake additional capital enhancing actions,

including raising additional capital. For further information in relation to the exposure to market risk for these portfolios, see "*Risk Management—Market risk*".

The Group is exposed to credit risk, market risk, interest rate risk, operational risk and liquidity risk.

As a result of the Group's activities, it is exposed to a variety of risks, among the most significant of which are credit risk, market risk, interest rate risk, operational risk and liquidity risk. Failure to control these could result in material adverse effects on the Group's financial performance and reputation.

Credit risk. Credit risk is the risk of financial loss to the Group arising from the possible inability and/or unwillingness of obligors to fulfil their contractual or transactional obligations. The Group's exposure to credit risk mainly arises from corporate and retail credit, various investments, over-the-counter (the "OTC") derivative transactions, as well as from transactions' settlement. The amount of risk associated with such credit exposures depends on various factors, including general economic conditions, market developments, the debtor's financial condition, the amount/type/duration of the relevant exposure and the existence of collateral and guarantees, which the Group may not be able to assess with accuracy at the time of undertaking the relevant activity. If there is a further deterioration in economic and market conditions in one or more of the markets in which the Group operates, this could worsen the credit quality of the Group's borrowers and counterparties. In Greece and in the other countries in which the Group operates, it may continue to see adverse changes in the credit quality of borrowers and counterparties, with increasing delinquencies, defaults and insolvencies across a range of sectors, particularly in the real estate market where the Group's exposure is significant due to mortgage loans. These trends and risks have led and may lead to further and accelerated impairment charges, higher costs, additional write-downs and losses.

Market risk. Market risk is the risk of economic losses to the Group due to adverse changes in market rates or prices, such as interest rate changes, foreign exchange rate changes, equity/debt security price and commodity price changes. Interest rate risk is the main source of market risk for the Group , because unexpected changes in interest rates may adversely affect its results by changing the Group's net interest income and the value of other income or expense susceptible to changes in interest rates. If any of the variety of instruments and strategies that the Group uses to hedge its exposure to various types of risk in its businesses is not effective, the Group may incur losses. Many of the Group's strategies are based on historical trading patterns and correlations. Unexpected market developments may therefore adversely affect the effectiveness of the Group's hedging strategies. Moreover, the Group does not hedge all of its risk exposure in all market environments or against all types of risk. In addition, the manner in which gains and losses resulting from certain hedges are recorded may result in additional volatility in the Group's reported earnings. The Group does not ordinarily hedge the credit exposure on its Greek government bond portfolio or its Greek government treasury bills. See "*Risk Management—Market risk—Foreign currency risk*" and "*Risk Management—Market risk—Interest rate risk*".

Interest rate risk. Interest rates are highly sensitive to many factors beyond the Group's control, including global pandemics, monetary policies and domestic and international economic and political conditions. Additional events may affect the volatility of interest rates in Greece and in the other countries in which the Group operates. Changes in interest rates also affect the value of assets and liabilities, since the present value of future cash flows, and in some cases, the cash flows themselves change when interest rates change. Changes in market interest rates could affect the spread between interest rates the Group charges on its interest-earning assets and the interest rates it pays on its interest-bearing liabilities, which may adversely impact the Group's net interest income. Given that the majority of the Group's lending is refinanced within a year, rising interest rates may also result in an increase in its impairment losses on loans and advances if customers cannot service or refinance their loans in a higher interest rate environment. The undiversified value-at-risk (the "VaR") estimate for the Group's trading book as at 31 December 2020 was €2.8 million, consisting of €2.8 million for interest rate risk, €0.2 million for foreign exchange risk and reduced by €0.2 million due to the diversification effect in the Group's portfolio. The VaR measure is an estimate of the potential loss in the net present value of a portfolio, over a specified period and with a specified confidence level. For a detailed discussion on the various methods of calculating the VaR and its use for the calculation of the market risk see "*Risk Management—Market risk*". Furthermore, an increase in

interest rates may impair customers' ability to repay their obligations in light of the existing financial situation. Similarly, unexpected adverse changes in currency markets may affect the value of the Group's assets and liabilities denominated in foreign currency, potentially leading to a decrease in operating income and net position. Movements in the financial markets may cause fluctuations in the value of the Group's investment and trading portfolios.

Operational risk. Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. This would include losses that are caused by a lack of controls within internal procedures, violations of internal policies by employees, the unavailability of IT systems, natural disasters (such as floods or earthquakes) or malicious acts by third parties (such as cyber-attacks, robberies or terrorist activity). Furthermore, the Group recognises the risk of legal and regulatory sanctions, financial loss and/or impacts on its reputation, which may result from a breach or non-compliance with the legal and regulatory framework, contractual obligations and codes of conduct related to the Group's activities.

Liquidity risk. Liquidity risk is the Group's potential inability to anticipate and take appropriate measures to deal with unforeseen decreases or changes in funding sources which could adversely affect the Group's ability to fulfil its financial obligations when they fall due. The management of liquidity risk refers to the Group's ability to maintain sufficient liquidity to meet its payment obligations when they fall due. For more information about the Group's risk management, see "*Risk Management*".

The Group may not be able to effectively utilise deferred tax assets or treat deferred tax assets as regulatory capital.

The Group recognises deferred tax assets to the extent that it is probable that the Bank or Group companies will have sufficient future taxable profit available, against which deductible temporary differences and tax losses carried forward can be utilised. The main uncertainties for the recoverability of the deferred tax assets relate to the achievement of the goals set in Bank's business plan, which is mainly affected by the economic circumstances in Greece. Any failure to achieve such goals, and thus effectively recover the deferred tax assets recognised, may have an adverse effect on the Group's operating results and financial position. Additionally, the Group may not be allowed to continue recognising the main part of deferred tax assets as regulatory capital, which may have an adverse effect on its operating results and financial position.

The Group faces significant competition from Greek and foreign banks which might adversely affect its fee income and compress its profit margins.

The general scarcity of wholesale funding since the onset of the economic crisis has led to a significant increase in competition for retail deposits in Greece and significant consolidation of the Greek banking system. The Group also faces competition from foreign banks. The Group may not be able to continue to compete successfully with domestic and international banks in the future. These competitive pressures may have an adverse effect on the Group's business, financial condition, results of operations and prospects. The Group's success depends on its capacity to offer a wide range of competitive and high-quality products and services to its customers. In order to pursue these objectives, the Group has adopted a strategy of segmentation of its customer base, aimed at serving the various needs of each segment in the most suitable manner. Moreover, the Group seeks to maintain long-term financial relations with its customers through the sale of anchor products and services. Nevertheless, high levels of competition in Greece, and an increased emphasis on cost reduction, may lead to a decrease in the Group's fee income and compress its profit margins, which may have an adverse impact on the Group's profitability.

The Group is subject to the risk of legal and regulatory actions and other claims.

Litigation risk is the risk of exposure to various litigation as a result of changing and developing consumer protection legislation, legislation on the provision of banking and investment services and data privacy. The Group is subject to several claims, legal actions and proceedings arising in the ordinary course of business. These actions and proceedings are generally based on alleged violations of consumer protection, banking, employment and other laws. Although none of these actions and proceedings is individually material, the Group operates in a legal and regulatory

environment that exposes it to potentially significant litigation and regulatory investigation and other risks. As at 30 June 2021, the Group has made provisions for litigation for €28 million.

Changes in consumer protection laws in Greece could limit the fees that banks may charge for certain products and services such as mortgages, unsecured loans and credit cards, with a negative effect on the Group's business, financial condition, results of operations and prospects. The Hellenic Competition Commission has also the power to, *inter alia*, review the fees charged in the provision of the relevant services by the Group, and can investigate potential infringements of Articles 1 and 2 of the Greek Competition Act, as well as Articles 101 and 102 of the Treaty on the Functioning of the European Union, which prohibit cartels and restrictive exclusionary practices in the relevant markets.

Legal and regulatory actions are subject to many uncertainties, and their outcomes, including the timing, amount of fines or settlements or the form of any settlements, which may be material and in excess of any related provisions, are often difficult to predict, particularly in the early stages of a case or investigation, and the Group's expectation for resolution may change. In addition, responding to and defending any current or potential proceedings involving the Group or any of its directors and other employees may be expensive and may result in diversion of management resources (including the time of the affected persons or other Group's employees) even if the actions are ultimately unsuccessful. Accordingly, any such legal proceedings and other actions involving any member of the Group or any of its directors or other employees may have an adverse effect on the Group, including negative publicity, loss of revenue, litigation, fines, higher scrutiny and/or intervention from regulators, regulatory or legislative action, and loss of existing or potential client business, which in turn could have an adverse effect on the Group's business, results of operations, financial condition and/or prospects.

The Group may have to bear additional costs in regard to staff costs.

Under the measures for the implementation of the Group's strategy, it reduced the number of employees in Greece between 2018 and 2020 mainly through the implementation of voluntary exit schemes, and may continue in the future to reduce, albeit gradually, the number of employees in Greece or other countries, particularly through voluntary mechanisms, such as termination by mutual agreement or, to the extent legally possible, early retirement. In particular, in February 2018, the Group announced a voluntary exit scheme ("VES") with a total cost €154 million. More than 1,300 employees applied and exited during the year 2018. In July 2019, the Group announced a voluntary exit scheme with a total cost of €36 million for the year ended 31 December 2019. In October 2020, the Group announced a new voluntary exit scheme for targeted groups of its employees. Voluntary exits as at 31 December 2020 reached 8.3% of the Group's workforce. Following the successful implementation of the 2020 VES, the Group initiated in June 2021 a new VES for targeted groups of employees, in accordance with its strategic objectives and transformation priorities. Target of the new scheme is to achieve a release of additional approximately 1,000 FTEs. As of 30 June 2021 the provision established in relation to VES amounted to €90 million, out of which €40 million were recognized within current period. The Group cannot know whether, nor guarantee that these measures or any other future action relative to the implementation of its strategy will not result in legal disputes or disturbances to the Group's activity. Such initiatives may lead to additional restructuring expenditure in terms of staff costs.

An interruption in or a breach of security in the Group's information systems may result in lost business and other losses.

A significant part of the Group's operations is based on the processing, transfer and storage of information, through the use of integrated information systems and telecommunication systems. Moreover, the Group keeps large amounts of sensitive data, such as data on customers and their transactions.

The Group faces significant business risks deriving from its increasing dependence on its integrated information systems, the increasing interconnection between such systems and clients or third parties, the continuous organisational and technological changes imposed by business needs and the daily appearance of new technological or other threats. Such risks include unauthorised access, loss or destruction of data (including clients' confidential information), data hacking (*e.g.*, account

hacking), the unavailability of services, computer viruses or other malicious codes, cyber-attacks, and other logical security incidents. Such threats may originate from human error, fraud or intentional actions on the part of employees, associated companies or third parties (*e.g.*, hackers), or from random technological failure.

In the current environment, there are numerous and evolving risks to cyber security, including criminal hackers and human or technological error. Database privacy, identity theft and related computer and internet issues are also matters of growing public concern and are subject to frequently changing rules and regulations. The Group's failure to adhere to or successfully implement processes in response to changing regulatory requirements in this area, or from evolution in technology, could result in legal liability or harm to the Group's reputation. As a result of the increased visibility of the Group's brand, there is a heightened risk of cyber-attacks and phishing attempts. Although the Group has put in place security systems on a Group level (including its subsidiaries abroad), any failure or interruption or breach in security of these systems for any reason could result in failures or interruptions in the Group's operations support, product customer relationship management systems (such as deposit and loan management systems). The Group cannot provide assurances that such failures or interruptions will not occur or, if they do occur, that they will be adequately addressed. The occurrence of any failures or interruptions could result in a loss of customer data, disclosure of confidential information, legal and regulatory liability and an inability to service the Group's customers, which could have a material adverse effect on its business, reputation, results of operations and financial condition.

The Group is exposed to the risk of potential fraud and illegal activities of any form, which, if not successfully dealt with in a timely manner, could have negative effects on its business, financial condition, results of operations and prospects.

The Group is subject to rules and regulations related to combating money laundering and terrorism financing. Non-compliance with these rules may have serious consequences, including adverse legal and reputational consequences. The Group cannot guarantee that its policies and procedures and its staff will comply at all times with or be sufficient to address all rules applicable to and prevent all attempts of money laundering and terrorism financing in all circumstances and in all jurisdictions in which the Group operates. Should any of the Group's intermediaries, customers, suppliers, partners, affiliates, or employees receive or grant inappropriate benefits or use corrupt, fraudulent, or other unfair business practices, the Group could be confronted with legal sanctions, penalties, loss of business, claims by injured parties, or harm to its reputation, which could in turn have a material adverse effect on its business, financial condition, results of operations, and prospects.

The Group's management body and senior management may be subject to changes by virtue of the powers exercised by the competent authority pursuant to the Greek BRRD Law, which may adversely affect its business and operations.

Under Article 27 and Article 30 of the Greek BRRD Law, if Piraeus Financial Holdings and/or Piraeus Bank Société Anonyme infringes or is likely in the near future to infringe the requirements of, among other statutes, the Regulation (EU) 575/2013 ("CRR") or, with respect to Piraeus Bank Société Anonyme, the Banking Law, due to, *inter alia*, a rapidly deteriorating financial condition, the competent authority may require one or more members of the Board of Directors or senior management of any or both of Piraeus Financial Holdings and Piraeus Bank Société Anonyme to be removed or replaced if those persons are found unfit to perform their duties. Under Article 28 of the Greek BRRD Law, the competent authority may require the removal of the senior management or management body, in its entirety or with regard to individuals, where there is a significant deterioration in the relevant entity's financial situation or where there are serious infringements of law, of regulations or of its statutes, or serious administrative irregularities, and other measures taken under the Greek BRRD Law are not sufficient to reverse that deterioration.

In addition, under Article 34(1) of the Greek BRRD Law, when applying the resolution tools and exercising the resolution powers, the competent resolution authority must take all appropriate measures to ensure that the resolution action is taken in accordance with certain principles. One of those principles is that the management body and senior management of the entity under resolution be replaced, except in those cases when the retention of the management body and senior

management (in whole or in part) is considered necessary for the achievement of the resolution objectives. As such, if the competent resolution authority exercises its early supervisory intervention and/or resolution powers upon Piraeus Financial Holdings and/or Piraeus Bank Société Anonyme, it is likely that their respective Board of Directors and senior management will be replaced.

The impact (if any) of such removal and/or replacement of the relevant Board of Directors and senior management is uncertain and could adversely affect the Group's financial condition and future prospects.

Risks relating to the regulatory framework

The Group is subject to stress testing, which may result in a requirement to raise additional capital or more stringent capital requirements in the future or have a material adverse effect on its business, financial condition, results of operations, reputation and prospects.

Stress tests analysing the banking sector have been, and will continue to be, published by national and supranational authorities and regulators including the EBA, the ECB and others. As part of the 2021 EU-wide stress tests that EBA launched on 29 January 2021, the ECB also conducted its own stress test for 53 banks it directly supervises which did not participate in the EBA-led stress test sample, including Piraeus Bank Société Anonyme, with results announced in July 2021. According to the ECB press release, this exercise was consistent with the EBA's methodology and applied the same scenarios, while also including proportionality elements as suggested by the overall smaller size and lower complexity of these banks. The stress assumptions were different from the assumptions applied in different stress tests. The basis for the stress test that the EBA performed were the consolidated financial statements as at and for the year ended 31 December 2020. The results of the stress tests will be used to assess each bank's Pillar 2 capital needs in the context of the supervisory review and evaluation process (the "SREP"). Furthermore, they will support macroprudential tasks and the ECB will assess the macroprudential implications of the exercise for the Euro area. On 30 July 2021, Piraeus Financial Holdings announced that it had successfully completed the 2021 SSM Stress Test Exercise ("exercise") conducted by the European Central Bank (please also refer to section *PIRAEUS FINANCIAL HOLDINGS S.A – Recent Developments - SSM Stress Test Exercise*).

As at 31 December 2020, the Group's CET1 capital ratio stood at 13.75% and its total regulatory capital ratio stood at 15.82%. As at 30 June 2021, the Group's CET1 capital ratio stood at 10.87% and its total regulatory capital ratio stood at 14.85%, and, on a *pro forma* basis for the RWA relief resulting from the SRT approval of the Sunrise 1 NPE securitisation, the Group's CET1 capital ratio stood at 11.58%, and its total regulatory capital ratio stood at 15.82%.

On an individual basis, as at 30 June 2021, the CET1 capital ratio for Piraeus Bank stood at 16.44% while the total regulatory capital ratio stood at 18.37%. Greek banks may be required in the future to meet more stringent capital requirements regarding their CET1 capital ratios due to the outcome of such stress test exercise or the expiration of the capital forbearance put in place in the aftermath of the COVID-19 pandemic. If the Group was to fail to meet any such new requirements at a consolidated level by accessing the capital markets or by organic capital generation, it would be required to receive additional capital from other sources, including, potentially, by means of public financial support, which would also include the implementation of the general bail-in measure or the non-viability loss absorption measure or, in case of extraordinary public financial support of Article 32, paragraph 3(d)(cc) of the Greek BRRD Law, the mandatory burden sharing measures of the HFSF Law (to the extent applicable) – each of which could result in the holders of the Notes losing all or part of their investment.

Loss of confidence in the banking sector following the announcement of stress tests regarding a particular bank or the Greek banking system as a whole, or market perception that any such tests are not rigorous enough, could have a negative effect on the cost of funding and may thus have a material adverse effect on operations and financial condition. Any future stress tests may result in higher regulatory capital requirements or a requirement to raise additional capital. Furthermore, the Group may face additional pressure from the regulators, which may lead to a disposal of further NPEs on terms that may not be favourable to the Group. In addition, exercise of the above powers by the regulators coupled with the potential enforcement of more stringent capital requirements or

regulatory measures, may have a material adverse effect on the Group's business, financial condition, results of operations, reputation and prospects.

The BRRD and the MREL framework may have a material adverse effect on the Group's business, financial condition, and results of operations.

Directive 2014/59/EU (the "BRRD" or "Bank Recovery and Resolution Directive"), sets out rules designed to harmonise and improve the tools for dealing with bank crises across the EU and ensures that shareholders, creditors and unsecured depositors mandatorily participate in the recapitalisation and/or the liquidation of institutions that fail or are likely to fail, as these circumstances are described in the BRRD. The BRRD has been initially transposed in Greece by virtue of the Greek BRRD Law. The Greek BRRD Law has been recently amended to reflect the changes introduced by Directive (EU) 2019/879 (the "BRRD II").

Where a financial holding company (such as Piraeus Financial Holdings) and/or a credit institution which is a subsidiary of such financial holding company (such as Piraeus Bank Société Anonyme) is determined to be failing or likely to fail (as contemplated by the BRRD) and there is no reasonable prospect that any of the alternative measures described in Article 32 of the Greek BRRD Law would prevent such failure within a reasonable period of time, the Greek BRRD Law resolution actions are available to the competent resolution authority comprising tools such as the asset separation, the bridge institution, the sale of business and the bail-in.

Should Piraeus Financial Holdings and/or Piraeus Bank Société Anonyme be determined to be failing or likely to fail (as contemplated by the BRRD and the Greek BRRD Law), the competent resolution authority has the power, pursuant to Article 35 of the Greek BRRD Law, to remove the Board of Directors of each of Piraeus Financial Holdings and Piraeus Bank Société Anonyme and their respective management team and, therefore, adversely affect the Group's business, financial condition, results of operations and prospects. Other resolution tools of the Greek BRRD Law could result in the Notes being written down, converted to equity or cancelled by the competent resolution authority, which could lead to a partial or total loss of investment by the Noteholders. See also "*Regulatory Considerations—Recovery and resolution of credit institutions*".

In addition, the MREL framework provides that there should be sufficient loss-absorbing and recapitalisation capacity available in resolution of any credit institution on a stand-alone or, as applicable, a consolidated level, to implement an orderly resolution that minimises any impact on financial stability, ensures the continuity of critical functions, and avoids exposing taxpayers (public funds) to loss. The Single Resolution Board (the "SRB") has been authorised to calculate and determine the level of MREL for each EU systemic credit institution (including Piraeus Bank Société Anonyme) (for further details see "*Capital Adequacy*").

In April 2020, in light of the COVID-19 pandemic, the SRB noted that in the 2020 resolution planning cycle, MREL targets will be set according to a transition period, *i.e.* setting the final target by 2024 on the basis of recent MREL data and reflecting changing capital requirements, while it will take a forward-looking approach for banks that may face difficulties meeting the existing targets, before new decisions take effect. The Greek banks have been granted an extension until 31 December 2025 to meet their respective final MREL target. On 20 May 2020, the SRB announced its MREL policy, setting out binding MREL targets, indicating that its MREL decisions, including those with respect to subordination, implementing the new framework (the "Banking Package") will be taken based on this policy in the 2020 resolution planning cycle. For Piraeus Bank Société Anonyme, the interim binding MREL target to be met by 1 January 2022, as initially determined by the SRB for the 2020 cycle, amounts to 12.89% of its total risk exposure amount plus combined buffers, while the fully calibrated MREL (final target) to be met by 31 December 2025 stands at 23.23% of its total risk exposure amount plus combined buffers, noting that the formal decision by the relevant decision-making body (NRA) has not yet been adopted. The SRB published an updated MREL policy based on the changes required by the Banking Package on 26 May 2021, which could potentially result in new binding MREL targets for European banks and banking groups, including the Issuers.

In addition, the timing and the proper market window are also critical for the issuance of MREL qualifying instruments. For instance, from mid-February to end-March 2020, European banks' gross bond issuances dropped below the 2015-2019 average issuance, driven by the market disruption

and the rise of funding costs brought by the COVID-19 pandemic. Investors may question the Group's ability to meet its MREL targets. In case the Group fails to achieve certain MREL targets within a specific time-frame due to factors extending beyond itscontrol or its eligible MREL resources evolve differently than anticipated, this could adversely affect the Group's ability to comply with the SRB's requirements or could result in issuing MREL at very high costs, which could adversely affect its business, financial condition, results of operations and prospects.

Furthermore, the exercise of some or all of the resolution powers by the competent resolution authority under the BRRD and the MREL framework may also affect the confidence of Piraeus Bank Société Anonyme's depositors and so may have a significant impact on the Group's results of operations, business, assets, liquidity and financial condition, as well as on funding activities and the products and services the Group offers.

The Group is subject to extensive and complex regulation, which is the subject of ongoing change and reform, imposing a significant compliance burden on the Group and increasing the risk of non-compliance and may result in uncertainty about the Group's ability to achieve and maintain the required capital levels and liquidity.

The Group is subject to financial services laws, regulations, administrative actions and policies in each location in which it operates. All of these are subject to change, particularly in the current market environment, especially following the outbreak of the COVID-19 pandemic, where there have been unprecedented levels of government intervention and changes to the regulations governing financial institutions. In response to the global financial crisis, national governments as well as supranational groups, such as the EU, have been considering and continuously implementing significant changes to the regulatory framework, including those pertaining to capital adequacy, liquidity and the scope of banks' operations. For example, significant amendments to the CRR and CRD IV, the BRRD and the SRM (as described further and defined herein) were adopted in 2019, while measures taken at both state and EU level in the first three quarters of 2020 in response to the pandemic crisis have prompted temporary change to the regulatory framework applicable to the Group (see "*Regulatory Considerations—COVID-19 pandemic related measures*"). As a result of these and other ongoing and possible future changes in the financial services regulatory landscape (including requirements imposed by virtue of Piraeus Financial Holdings status, together with Piraeus Bank Société Anonyme, as a significant supervised group or the Group's participation in any government or regulator-led initiatives), the Group may face greater regulation in Greece.

The Group's compliance with new regulatory frameworks may increase its regulatory capital requirements, liquidity needs and costs, heighten its disclosure requirements, restrict certain types of transactions, affect its strategy and restrict or require the modification of rates or fees that the Group charges on certain loans and other products and consequently reduce the return on its investments, assets and equity. The Group may also face increased compliance costs and limitations on its ability to pursue certain business opportunities. Any such new regulatory framework may have a broader scope and entail significant changes and unforeseen consequences in the global financial system, the Greek financial system or its business, including increasing general uncertainty in the markets, increasing competition or favouring/disfavouring certain lines of business. New regulatory frameworks also increase the risk of non-compliance, and consequently litigation risk and regulatory investigations, the results of which are hardly predictable and, if adverse, could result in payments of compensations, fines or other regulatory sanctions which in turn could adversely affect the Group's businesses, financial results and reputation.

Changes in regulation may result in uncertainty about the Group's ability to achieve and maintain required capital levels and liquidity. The Group is required by the regulators to maintain minimum capital ratios. These required levels may increase in the future, for example pursuant to the SREP as applied to the Group. In addition, the manner in which the requirements are applied may adversely affect the Group and its capital ratios. For more information on the Group's overall capital requirement (the "OCR") ratio, compliance with relevant regulation and further details on its capital adequacy please see "*Capital Adequacy*".

Piraeus Financial Holdings and Piraeus Bank Société Anonyme are directly supervised by the ECB through the SSM, which has created a system of prudential regulation comprising the ECB and the

national competent authorities of participating Eurozone countries, and has set minimum capital requirements. The Group, and its regulated subsidiaries are subject to the risk of having insufficient capital resources or a lack of liquidity to meet the minimum regulatory capital and/or liquidity requirements. In addition, those minimum regulatory capital requirements are likely to increase in the future, or the methods of calculating capital resources may change, especially in light of the upcoming implementation of Basel III. The SSM could introduce risk-weighted assets floors (as it has done in other jurisdictions), and further harmonisation of risk-weighted assets could increase risk weighting of exposures. In addition, proposals have been discussed which would cap the amount of sovereign bonds that banks could hold, or assign risk weights to sovereign bond holdings, which could require banks to raise additional capital. Likewise, the Group is obliged under applicable regulations to retain a certain liquidity coverage ratio. Liquidity requirements may come under heightened scrutiny and may place additional stress on the Group's liquidity demands in the jurisdictions in which it operates. In light of this and pursuant to the 2020 SREP Decision, Piraeus Bank Société Anonyme was imposed with prudential and qualitative requirements pursuant to which Piraeus Bank Société Anonyme is required to (i) fulfil a 14.25% OCR (see "*Capital Adequacy*"); (ii) submit to the ECB on a bi-annual basis a liquidity coverage ratio forecast report outlining measures taken to ensure long-term compliance with liquidity requirements; and (iii) obtain ECB's approval prior to making any distribution to its shareholders and holders of capital instruments, other than shares, insofar as these qualify as CET 1 or Additional Tier 1 Instruments, where non-payment does not constitute an event of default. Due to the outbreak of the COVID-19 pandemic and its potential effects on the economy and the banking sector, the ECB announced on 12 March 2020 measures that allow banks to operate temporarily below the level of capital defined by the Pillar 2 Guidance and the capital conservation buffer.

Although it is difficult to predict with certainty the impact of regulatory developments on the capital ratios of the Group, the legislation and regulations especially in the EU and Greece may lead to an increase of capital and liquidity requirements (and, hence, a need for additional capital and capital increases), capital costs and reporting requirements and have negative implications on activities, products and services offered, as well as to the value of the Group's assets, operating results and financial condition. Furthermore, if the Group is not able to raise such capital from capital markets or other private means, it may request such additional funding by means of extraordinary public financial support, which would also include the implementation of the burden sharing measures provided for by the Greek BRRD Law or the HFSF Law (in case of a precautionary recapitalisation pursuant to Article 32, paragraph 3(d)(cc) of the Greek BRRD Law), as the case may be (see "*Regulatory Considerations—Recovery and resolution of credit institutions*"). In both cases, the Noteholders may be subject to limitations on their rights, in case that such measures are implemented at the level of the relevant Issuer, and/or incur significant losses in their investments, irrespective of whether such measures are implemented on Piraeus Financial Holdings or Piraeus Bank Société Anonyme, as the case may be, as in each of the above-mentioned cases, the Noteholders could lose all or part of their investment. Furthermore, the exercise of any such powers by the competent authority may have a material adverse effect on the Group's business, financial condition, results of operations, reputation and prospects.

Applicable bankruptcy, insolvency, enforcement, and other laws and regulations affecting creditors' rights in Greece may limit the Group's ability to receive payments on defaulted credits.

In Greece, bankruptcy, insolvency, enforcement and other laws and regulations affecting creditors' rights are likely to offer less protection for creditors than bankruptcy, insolvency and enforcement regimes in other developed countries.

Since the onset of the financial crisis in Greece, legislation has been adopted to enable vulnerable categories of individual debtors meeting specific economic and social criteria to seek court protection regarding the repayment or restructuring of their debt whereas the current bankruptcy code allows for agreements between corporate debtors and their creditors in the context of restructuring proceedings, which have resulted and could further result in credit institutions incurring significant credit impairments or write-offs. For more details on the legislation in Greece impacting restructuring proceedings please see "*Regulatory Considerations—Extrajudicial debt settlement mechanism*".

If the current economic environment worsens, including as a result of the COVID-19 pandemic, bankruptcies, other insolvency procedures and governmental measures, including payment and enforcement moratoria, could intensify or applicable laws and regulations may be amended to limit the impact of the recession on corporate and retail debtors. Furthermore, the heavy workload that local courts may face, the cumbersome and time consuming administrative and other processes and requirements to which restructuring, insolvency and enforcement measures are subject slow the pace at which court judgements on insolvency, rehabilitation and enforcement proceedings become final. Such amendments and/or any potential further measures, including any measures related to efforts to alleviate the effect of the COVID-19 pandemic, increasing the protection of debtors and/or impeding the Group from timely collecting overdue debts or enforce securities which would lead to an increase in the number of NPEs and/or a reduction in the amount of collections on NPEs compared to the Group's plans, resulting in a corresponding increase in provisions, and this may have an adverse effect on the Group's business, results of operations, capital position and financial condition.

The Group could be subject to additional taxes, including a financial transaction tax.

The Group is subject to the various tax laws of the jurisdictions in which it operates. Changes in tax laws, including the imposition of new taxes, could adversely affect the Group's tax position, including its effective tax rate or tax payments. The Greek tax system is subject to frequent changes, new taxes/charges may be imposed, such as a "one-off" taxation on profitable companies, and existing taxes may be increased. In the past, the Group has incurred both recurrent and "one-off" taxes. The Group is also subject to tax in foreign jurisdictions in which it has operations, the scope of these taxes may be broadened in the future and relevant rates could be increased reducing its profit margins.

The Group relies on generally available interpretations of applicable tax primary and secondary legislation. There cannot be certainty that the relevant tax authorities are in agreement with the Group's interpretation of such legislation. If the Group's tax positions are challenged by relevant tax authorities, the imposition of additional taxes could require the Group to pay taxes that it currently does not pay or increase the costs of its services to monitor and pay such taxes, which could increase the Group's costs of operations or its effective tax rate and have a negative effect on its business, financial condition and results of operations.

In addition, Greece is one of the eleven EU member states (the "participating Member States") that requested participation in the implementation of a common financial transaction tax (the "FTT"). On 14 February 2013, the European Commission issued proposals on behalf of the participating Member States, including a draft Directive (the "Commission's Proposal"), implementing enhanced cooperation for an FTT. Following the ECOFIN Council meeting of 8 December 2015, Estonia officially announced its withdrawal from the negotiation and, on 16 March 2016, completed the formalities required to cease participation in the enhanced cooperation on an FTT.

The proposed scope of the FTT under the Commission's Proposal is wide. If the Commission's Proposal was adopted in its published form, the FTT would be a tax primarily on certain dealings involving "financial institutions" in relation to "financial transactions" (which would include the conclusion or modification of derivative contracts and the purchase and sale of financial instruments, including shares).

Even though it is proposed that the FTT is to be introduced only in the participating Member States, under the Commission's Proposal it could impact persons operating inside and outside of the participating Member States. Generally, it would apply where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (i) by transacting with a person established in a participating Member State or (ii) where the financial instrument which is subject to the financial transaction is issued in a participating Member State.

The FTT proposal currently remains subject to negotiation between the participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear.

Additional EU member states may decide to participate and/or certain of the participating Member States may decide to withdraw.

The FTT could be payable by the Group in connection with transactions forming part of its business, or by investors in connection with relevant transactions in respect of the Notes (including secondary transactions), if the FTT is implemented and the conditions for a charge to arise are satisfied.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

FACTORS WHICH ARE MATERIAL FOR THE PURPOSE OF ASSESSING THE MARKET RISKS ASSOCIATED WITH NOTES ISSUED UNDER THE PROGRAMME

General risks relating to a particular issue of Notes

Any Notes issued under the Programme may be subjected in the future to the bail-in resolution tool or to the application of other resolution tools by the competent resolution authority and to the mandatory burden sharing measures for the provision of precautionary capital support, which may result into their write-down in full.

The transposition of the BRRD and BRRD II into Greek law granted increased powers to the competent resolution authority, which for the Issuers is the Board of the SRM, for the imposition of resolution measures to failing or likely to fail credit institutions or their parent financial holding company, as further described in "*Regulatory Considerations*".

These measures include the bail-in tool, through which a credit institution or its parent financial holding company subjected to resolution may be recapitalised either by way of the permanent write-down or the conversion of some or all of its liabilities (including Notes issued under the Programme) into common shares. Any such shares issued upon any such conversion into equity may also be subject to future cancellation, transfer or dilution. The bail-in tool may be imposed either as a sole resolution measure or in combination with any of the other resolution tools that may be used by the resolution authority.

Any Notes issued under the Programme may be subject to the exercise of the resolution measures. Exercise of such measures could involve, *inter alia*: transferring the relevant Notes to another entity notwithstanding any restrictions on transfer; delisting the relevant Notes; amending or altering the maturity of the relevant Notes; amending or altering the date on which interest becomes payable under the relevant Notes, including by suspending payments under for a temporary period; rendering unenforceable any right to terminate or accelerate the Notes that would be triggered by exercise of the resolution measures. In a worst case scenario, the value of such Notes may be written down to zero.

Moreover, the conditions for the HFSF granting precautionary recapitalisation support include, among others, the imposition, by virtue of a Cabinet Act, pursuant to article 6a of Greek law 3864/2010, as amended and in force, of mandatory burden sharing measures on the holders of capital instruments and other liabilities of the credit institution or, to the extent applicable, parent holding company receiving such support ("Mandatory Burden Sharing Measures"). The Mandatory Burden Sharing Measures include the absorption of losses by existing subordinated creditors by writing down the nominal value of their claims. Such write-down is implemented by way of a resolution of the competent corporate body of the entity concerned such that its equity position becomes zero. Any Tier 2 Notes issued under the Programme are subject to the above provisions of article 6a of Greek law 3864/2010, as amended and in force. If the Bank were to receive precautionary financial support from the HFSF in the future and its equity position were negative, there can be no assurance that new Notes would not be subjected to write-down as a result of the Mandatory Burden Sharing Measures.

The circumstances in which the competent resolution authority may exercise the bail-in tool or other resolution tools are uncertain and such uncertainty may have an impact on the value of the Notes.

The conditions in which a credit institution or parent financial holding company may be subject to resolution and the application of the relevant powers of the competent resolution authority are set out in articles 32 and 33 of Greek law 4335/2015, respectively, reflecting the provisions of article 32 of the BRRD and article 1, paragraph 11 of BRRD II, respectively. Such conditions include the determination by the resolution authority that: (a) the entity concerned is failing or is likely to fail; (b) no reasonable prospect exists that any alternative private sector measures (including the write-down) would prevent the failure; and (c) a resolution action is necessary in the public interest, whilst the resolution objectives would not be met to the same extent by the special liquidation (within the meaning of article 145 of Greek law 4261/2014) of the credit institution or, to the extent applicable, parent financial holding company. In addition, even where a parent financial holding company does not meet the aforementioned conditions for resolution, the competent resolution authoritiy may nevertheless take resolution action with regard to such parent financial holding company where all of the following conditions are fulfilled:

(a) such parent financial holding company is a resolution entity;

(b) one or more of the subsidiaries of such parent financial holding company that are institutions, but not resolution entities, comply with the aforementioned conditions for resolution stipulated in Article 32 and 33 of Greek Law 4335/2015 as amended and in force;

(c) the assets and liabilities of the subsidiaries referred to in point (b) are such that the failure of those subsidiaries threatens the resolution group as a whole, and resolution action with regard to the parent financial holding company is necessary either for the resolution of such subsidiaries which are institutions or for the resolution of the relevant resolution group as a whole.

Such conditions, however, are not further specified in the applicable law and very limited precedent as to their application exists, so whether the conditions have been complied with is left to the determination and discretion of the competent resolution authority. Such uncertainty may impact on the market perception as to whether a credit institution or parent financial holding company meets such conditions or not and as such it may be subjected to resolution tools. This may have a material adverse impact on the present value of the Notes and other listed securities of the Issuers.

In addition, if any bail-in action is taken, interested parties, such as creditors or shareholders, may raise legal challenges. The taking of any action under the BRRD in relation to either Issuer, or the suggestion of the exercise of any action, could materially adversely affect the rights of Noteholders, the price or value of their investment in the Notes and/or the ability of the relevant Issuer to satisfy its obligations under any Notes. If any litigation arises or is threatened in relation to bail-in actions this may negatively affect liquidity and increase the price volatility of the Issuers' securities (including the Notes).

Certain Notes may be subject to loss absorption on any application of the general bail-in tool or at the point of non-viability of the Issuer.

The BRRD, as amended pursuant to the BRRD II and transposed into Greek law, contemplates that Tier 2 Notes, Senior Preferred Notes and Senior Non-Preferred Notes may be subject to non-viability loss absorption in addition to the application of the general bail-in tool. At the point of non-viability of the Issuer or the Issuer and its subsidiaries and subsidiary undertakings from time to time, the SRB in co-operation with the competent resolution authority may write down capital instruments and eligible liabilities (including Tier 2 Notes, Senior Preferred Notes and Senior Non-Preferred Notes) and/or convert them into shares or other instruments of ownership. The taking of any such action under the BRRD in relation to either Issuer, or the suggestion of the exercise of any action, could

materially adversely affect the rights of Noteholders, the price or value of their investment in the Notes and/or the ability of the relevant Issuer to satisfy its obligations under any Notes.

Risks related to the structure of a particular issue of Notes

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Each of the risks highlighted below could adversely affect the trading price of any Notes or the rights of investors under any Notes and, as a result, investors could lose some or all of their investment. Set out below is a description of the most common such features:

An investor in Tier 2 Notes assumes an enhanced risk of loss in the event of the relevant Issuer's insolvency or the failure of the relevant Issuer to satisfy the solvency condition set out in Condition 4.

If, in the case of any particular Tranche of Notes, the applicable Pricing Supplement specifies that the Notes are Tier 2 Notes, in the event of bankruptcy, moratorium of payments, insolvency, dissolution, liquidation or special liquidation within the meaning of article 145 of Greek law 4261/2014 of the relevant Issuer, the relevant Issuer will be required to pay the Senior Creditors of the Issuer (to Tier 2 Notes) in full before it can make any payments on the relevant Notes. If this occurs, the relevant Issuer may not have enough assets remaining after these payments to pay amounts due under the relevant Notes.

Subect to any mandatory provisions of law, the claims of the Noteholders will be subordinated to the claims of Senior Creditors of the Issuer (to Tier 2 Notes) in that, in the event of the winding up or special liquidation within the meaning of article 145 of Greek law 4261/2014 of the Issuer, payments of principal and interest in respect of the Notes will be conditional upon the Issuer being solvent at the time of payment by the Issuer and in that no principal or interest shall be payable in respect of the Notes at such time except to the extent that the Issuer could make such payment and still be solvent immediately thereafter. In the case of dissolution, liquidation, special liquidation within the meaning of article 145 of Greek law 4261/2014 and/or bankruptcy (as the case may be and to the extent applicable) of the Issuer, the holders will only be paid by the Issuer after all Senior Creditors of the Issuer (to Tier 2 Notes) have been paid in full and the holders irrevocably waive their right to be treated equally with all other unsecured, unsubordinated creditors of the Issuer in such circumstances. Any actual or perceived risk that the Issuer is not solvent (as described above) may affect the market value or liquidity of the Tier 2 Notes.

There is no restriction on the amount of securities or other liabilities that the relevant Issuer may issue, incur or guarantee and which rank senior to, or pari passu with, the Tier 2 Notes. The issue or guaranteeing of any such securities or the incurrence of any such other liabilities may reduce the amount (if any) recoverable by holders of Tier 2 Notes during a winding-up or special liquidation within the meaning of article 145 of Greek law 4261/2014 of the relevant Issuer and may limit the relevant Issuer's ability to meet its obligations under the Tier 2 Notes. Although Tier 2 Notes may pay a higher rate of interest than comparable Notes which are not subordinated, there is a significant risk that an investor in Tier 2 Notes will lose all or some of his investment in the event that the relevant Issuer becomes insolvent. Furthermore, pursuant to Law 3864/2010, as amended and in force, in certain circumstances where a credit institution or, to the extent applicable, parent financial holding company has been unable to cover a capital shortfall through voluntary measures, the relevant Issuer's liability as Issuer in respect of Tier 2 Notes may mandatorily be converted into ordinary shares or may be written down and cancelled in part or in full.

Senior Preferred Notes, Senior Non-Preferred Notes and Tier 2 Notes provide for limited events of default. Noteholders may not be able to exercise their rights on an event of default in the event of the adoption of any early intervention or resolution measure under the BRRD (or any relevant measure implementing the same).

Noteholders have no ability to accelerate the maturity of their Senior Preferred Notes, Senior Non-Preferred Notes or Tier 2 Notes except in the case that an order is made or an effective resolution is passed for the dissolution and winding-up of the relevant Issuer, as provided in the Conditions. Accordingly, in the event that any payment on the Senior Preferred Notes, Senior Non-Preferred Notes or Tier 2 Notes is not made when due, each Noteholder will have a claim only for amounts then due and payable on their Notes and, as provided for in the Conditions, a right to institute proceedings for the dissolution and winding-up of the relevant Issuer. Notwithstanding the foregoing, the relevant Issuer will not, by virtue of the institution of any such proceedings, be obliged to pay any sum or sums sooner than the same would otherwise have been payable by it.

In addition, as mentioned in "*Any Notes issued under the Programme may be subjected in the future to the bail-in resolution tool by the competent resolution authority and to the mandatory burden sharing measures for the provision of precautionary capital support, which may result into their write-down in full*", the relevant Issuer may be subject to a procedure of early intervention or resolution pursuant to the BRRD and BRRD II, as transposed into Greek law. The adoption of any early intervention or resolution procedure shall not itself constitute an event of default or entitle any counterparty of the relevant Issuer to exercise any rights it may otherwise have in respect thereof.

Moreover, any enforcement by a Noteholder of its rights under the Notes upon the occurrence of an event of default following the adoption of any early intervention or any resolution procedure will be subject to the relevant provisions of the BRRD and or applicable Greek law in relation to the exercise of the relevant measures and powers pursuant to such procedure, including the resolution tools and powers referred to therein. Any claims on the occurrence of an event of default will consequently be limited by the application of any measures pursuant to the applicable provisions of the BRRD and Greek law. There can be no assurance that the taking of any such action would not adversely affect the rights of Noteholders, the price or value of their investment in the Notes and/or the ability of the relevant Issuer to satisfy its obligations under the Notes and the enforcement by a Noteholder of any rights it may otherwise have on the occurrence of any event of default may be limited in these circumstances.

The relevant Issuer's obligations under Senior Non-Preferred Notes rank junior to its Senior Creditors (to Senior Non-Preferred Notes).

As described under Condition 3, the payment obligations of the relevant Issuer in respect of Senior Non-Preferred Notes issued by it will be unsubordinated. However, as provided under Condition 3(b)(iv), the rights of the holders of any Senior Non-Preferred Notes will rank junior to present and future obligations of the relevant Issuer in respect of Senior Creditors of the Issuer (to Senior Non-Preferred Notes).

There is no restriction on the amount of securities or other liabilities that the relevant Issuer may issue, incur or guarantee and which rank senior to, or pari passu with, the Senior Non-Preferred Notes. The issue or guaranteeing of any such securities or the incurrence of any such other liabilities may reduce the amount (if any) recoverable by holders of Senior Non-Preferred Notes during special liquidation (within the meaning of article 145 of Greek law 4261/2014) of Piraeus Bank and, to the extent applicable, Piraeus Financial Holdings, and may limit the relevant Issuer's ability to meet its obligations under the Senior Non-Preferred Notes.

Although Senior Non-Preferred Notes may pay a higher rate of interest than comparable Notes which benefit from a higher or a preferential ranking, there is a real (and more probable) risk that an investor in Senior Non-Preferred Notes will lose all or some of their investment should the relevant Issuer become insolvent. Furthermore, pursuant to Law 3864/2010, as amended and in force, in certain circumstances where a credit institution or, to the extent applicable, parent financial holding company has been unable to cover a capital shortfall through voluntary measures, the relevant Issuer's liability as Issuer in respect of Senior Non-Preferred Notes may mandatorily be converted into ordinary shares or may be written down and cancelled in part or in full.

The obligations of the relevant Issuer under the Notes rank (at least) junior to creditors having Privileged Claims in the case of special liquidation under Greek law.

Certain obligations of Greek credit institutions (including Piraeus Bank) and, to the extent applicable, its parent financial holding company (including Piraeus Financial Holdings), such as obligations vis-à-vis the Greek state or, in the case of credit institutions only, obligations of eligible deposits (within the meaning of Greek law 4370/2016) exceeding the protection amount of the deposit guarantee scheme, etc. enjoy a privileged ranking in the case of special liquidation of entity concerned by virtue of the provisions of article 145a of Greek banking law 4261/2014, as in force, on special liquidation ("Privileged Claims"). The claims of Noteholders against the relevant Issuer will rank (at least) junior to Privileged Claims in the case of a special liquidation of such Issuer. Thus, if Privileged Claims exist against the relevant Issuer, there is a risk that an investor in the Notes will lose all or some of its investment should such Issuer become subject to special liquidation.

The Notes may be redeemed prior to maturity.

The Notes may be redeemed, as set out in the Conditions, at the option of the relevant Issuer in certain circumstances including:

- the occurrence of one or more of the tax events described in Condition 6(b);
- (in the case of Tier 2 Notes only) if applicable, upon the occurrence of a Capital Disqualification Event as described in Condition 6(c);
- (in the case of Tier 2 Notes, Senior Non-Preferred Notes and Senior Preferred Notes only) if applicable, an MREL Disqualification Event as described in Condition 6(d); or
- if applicable, on an Optional Redemption Date as described in Condition 6(e).

An optional redemption feature is likely to limit the market value of the Notes. During any period when the relevant Issuer may elect to redeem the Notes, or during any period when it is perceived that the relevant Issuer may elect to redeem the Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The relevant Issuer may redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Early redemption or purchase or substitution or variation or modification of the Senior Preferred Notes, Senior Non-Preferred Notes or Tier 2 Notes may be restricted.

Any early redemption or purchase or substitution or variation or modification of Senior Preferred Notes, Senior Non-Preferred Notes or Tier 2 Notes is subject to (i) the relevant Issuer giving notice to the Relevant Resolution Authority (in the case of Senior Preferred Notes, Senior Non-Preferred Notes or Tier 2 Notes that are MREL-Eligible Liabilities) and/or the Relevant Regulator (in the case of Tier 2 Notes) and such Relevant Resolution Authority and/or Relevant Regulator (as the case may be) granting prior permission to redeem or purchase or substitute or vary or modify the relevant Notes, in each case to the extent and in the manner required by, in the case of Senior Preferred Notes, Senior Non-Preferred Notes and Tier 2 Notes that are MREL-Eligible Liabilities, the MREL Requirements, and in the case of Tier 2 Notes, the Capital Regulations, and (ii) compliance by the relevant Issuer with any alternative or additional pre-conditions to redemption or purchase or substitution or variation or modification, as applicable, as set out in, in the case of Senior Preferred Notes, Senior Non-Preferred Notes and Tier 2 Notes that are MREL-Eligible Liabilities, the MREL

Requirements, and in the case of Tier 2 Notes, the Capital Regulations, in each case as provided in Condition 6(k) and Condition 6(l), as applicable.

As any early redemption, purchase, substitution, variation or modification of any such Notes will be subject to the prior permission of the Relevant Resolution Authority and/or the Relevant Regulator (as applicable), the outcome may not necessarily reflect the commercial intention of the Issuer or the commercial expectations of the holders of those Notes and this may have an adverse impact on the market value of the relevant Notes.

The Notes may be subject to Substitution and Variation provisions.

If, in the case of any Series of Notes, "Substitution and Variation" is specified as being applicable in the relevant Pricing Supplement and an MREL Disqualification Event or Capital Disqualification Event or any of the events described in Condition 6(b) has occurred and is continuing (in each case to the extent applicable to the relevant Notes), or in order to ensure the effectiveness and enforceability of Condition 18, then the relevant Issuer may, subject as provided in Conditions 6(k), 6(l) and 6(m) of the Notes and without the need for any consent of the Noteholders or the Couponholders, substitute all (but not some only) of such Series of Notes for, or vary the terms of such Series of Notes including changing the governing law of Condition 18 so that the Notes remain or become Qualifying Notes.

No assurance can be given as to whether any of these changes will negatively affect any particular Noteholder. In addition, the tax and stamp duty consequences of holding such substituted or varied Notes could be different for some categories of Noteholders from the tax and stamp duty consequences for them of holding such Notes prior to such substitution or variation. There can also be no assurance that the terms of any Qualifying Notes will be viewed by the market as equally favourable to Noteholders, or that such Notes will trade at prices that are equal to the prices at which the Notes would have traded on the basis of their original terms.

The terms of the Senior Preferred Notes, Senior Non-Preferred Notes and the Tier 2 Notes contain a waiver of set-off right.

Each holder of a Senior Preferred Note, Senior Non-Preferred Note or a Tier 2 Note unconditionally and irrevocably waives any right of set-off, netting, counterclaim, abatement or other similar remedy which it might otherwise have, under the laws of any jurisdiction, in respect of such Senior Preferred Note, Senior Non-Preferred Note or Tier 2 Note, as the case may be.

Limitation on gross-up obligation under the Senior Preferred Notes, Senior Non-Preferred Notes and Tier 2 Notes (collectively, "Limited Gross-up Notes").

The obligation under Condition 10 to pay additional amounts in the event of any withholding or deduction in respect of taxes on any payments under the terms of Limited Gross-up Notes applies only to payments of interest and not to payments of principal or premium (as applicable). As such, the relevant Issuer would not be required to pay any additional amounts under the terms of any Limited Gross-up Notes to the extent any withholding or deduction applied to payments of principal or premium (as applicable). Accordingly, if any such withholding or deduction were to apply to any payments of principal or premium (as applicable) under any Limited Gross-up Notes, Noteholders may receive less than the full amount of principal or premium (as applicable) due under such Notes upon redemption, and the market value of such Notes may be adversely affected.

The regulation and reform of "benchmarks" may adversely affect the value of Notes linked to or referencing such "benchmarks".

Interest rates and indices which are deemed to be "benchmarks", (including the London interbank offered rate ("LIBOR") and the euro interbank offered rate ("EURIBOR") are the subject of national and international regulatory guidance and proposals for reform. Some of these reforms are already

effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes referencing such a benchmark.

Regulation (EU) 2016/1011 (the "EU Benchmarks Regulation") applies, subject to certain transitional provisions, to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU. Among other things, it (i) requires benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevents certain uses by EU supervised entities of benchmarks of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed). Regulation (EU) 2016/1011 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "UK Benchmarks Regulation") among other things, applies to the provision of benchmarks and the use of a benchmark in the UK. Similarly, it prohibits the use in the UK by UK supervised entities of benchmarks of administrators that are not authorised by the FCA or registered on the FCA register (or, if non-UK based, not deemed equivalent or recognised or endorsed).

The EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable, could have a material impact on any Notes linked to or referencing a benchmark in particular, if the methodology or other terms of the benchmark are changed in order to comply with the requirements of the EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the relevant benchmark.

More broadly, any of the international or national reforms, or the general increased regulatory scrutiny of benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements.

Specifically, the sustainability of LIBOR has been questioned as a result of the absence of relevant active underlying markets and possible disincentives (including possibly as a result of benchmark reforms) for market participants to continue contributing to such benchmarks. The FCA has indicated through a series of announcements that the continuation of LIBOR on the current basis cannot and will not be guaranteed after 2021. On 5 March 2021, ICE Benchmark Administration Limited ("IBA"), the administrator of LIBOR, published a statement confirming its intention to cease publication of all LIBOR settings, together with the dates on which this will occur, subject to the FCA exercising its powers to require IBA to continue publishing such LIBOR settings using a changed methodology (the "IBA announcement"). Concurrently, the FCA published a statement on the future cessation and loss of representativeness of all LIBOR currencies and tenors, following the dates on which IBA has indicated it will cease publication (the "FCA announcement"). Permanent cessation will occur immediately after 31 December 2021 for all Euro and Swiss Franc LIBOR tenors and certain Sterling, Japanese Yen and US Dollar LIBOR settings and immediately after 30th June 2023 for certain other USD LIBOR settings. In relation to the remaining LIBOR settings (1-month, 3-month and 6-month Sterling, US Dollar and Japanese Yen LIBOR settings), the FCA will consult on, or continue to consider the case for, using its powers to require IBA to continue their publication under a changed methodology for a further period after end-2021 (end-June 2023 in the case of US Dollar LIBOR). The FCA announcement states that consequently, these LIBOR settings will no longer be representative of the underlying market that such settings are intended to measure immediately after 31 December 2021, in the case of the Sterling and Japanese Yen LIBOR settings and immediately after 30 June 2023, in the case of the USD LIBOR settings. Any continued publication of the Japanese Yen LIBOR settings will also cease permanently at the end of 2022.

Separately, the euro risk free-rate working group for the euro area has published a set of guiding principles and high level recommendations for fallback provisions in, amongst other things, new euro denominated cash products (including bonds) referencing EURIBOR. The guiding principles indicate, amongst other things, that continuing to reference EURIBOR in relevant contracts (without

robust fallback provisions) may increase the risk to the euro area financial system. On 11 May 2021, the euro risk-free rate working group published its recommendations on EURIBOR fallback trigger events and fallback rates.

Such factors may have (without limitation) the following effects on certain benchmarks: (i) discouraging market participants from continuing to administer or contribute to a benchmark; (ii) triggering changes in the rules or methodologies used in the benchmark and/or (iii) leading to the disappearance of the benchmark. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to, referencing, or otherwise dependent (in whole or in part) upon, a benchmark.

If the circumstances described in the preceding paragraph occur and (i) in the case of Floating Rate Notes, Benchmark Replacement is specified in the applicable Pricing Supplement as being applicable and Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the rate of interest is to be determined or (ii) in the case of Reset Notes, Benchmark Replacement is specified in the applicable Pricing Supplement as being applicable and the Reset Reference Rate is specified as Mid-Swap Rate in the applicable Pricing Supplement, such fall-back arrangements will include the possibility that the relevant rate of interest (or, as applicable, component thereof) could be set or, as the case may be, determined by reference to a Successor Reference Rate or an Alternative Reference Rate (as applicable) determined by an Independent Adviser or, if the relevant Issuer is unable to appoint an Independent Adviser or the Independent Adviser appointed by the relevant Issuer fails to make such determination, the relevant Issuer. An Adjustment Spread shall be determined by the relevant Independent Adviser or the relevant Issuer (as applicable) and shall be applied to such Successor Reference Rate or Alternative Reference Rate, as the case may be.

In addition, the relevant Independent Adviser or the relevant Issuer (as applicable) may also determine (acting in good faith and in a commercially reasonable manner) that other amendments to the Conditions of the relevant Notes are necessary in order to follow market practice in relation to the relevant Successor Reference Rate or Alternative Reference Rate (as applicable) and to ensure the proper operation of the relevant Successor Reference Rate or Alternative Reference Rate (as applicable). Such Adjustment Spread may be zero.

No consent of the Noteholders shall be required in connection with effecting any relevant Successor Reference Rate or Alternative Reference Rate (as applicable) or any other related adjustments and/or amendments described above.

In certain circumstances, the ultimate fallback of interest for a particular Interest Period or Reset Period (as applicable) may result in the rate of interest for the last preceding Interest Period or the Reset Period (adjusted as set out in the Conditions), or the sum (converted as set out in the definition of “First Reset Rate of Interest” or “Subsequent Reset Rate of Interest” (as applicable)) of the last observable mid-swap rate with an equivalent term and currency to the relevant Reset Reference Rate which appeared on the Relevant Screen Page and the First Margin or Subsequent Margin (as applicable) being used. This may result in the effective application of a fixed rate for Floating Rate Notes or Reset Notes (as applicable) based on the rate which was last observed on the Relevant Screen Page for the purposes of determining the rate of interest in respect of an Interest Period or a Reset Period (as applicable). In addition, due to the uncertainty concerning the availability of Successor Reference Rates and Alternative Reference Rates and the involvement of an Independent Adviser, the relevant fallback provisions may not operate as intended at the relevant time.

Any such consequences could have a material adverse effect on the value of and return on any such Notes. Moreover, any of the above matters or any other significant change to the setting or existence of any relevant rate could affect the ability of the relevant Issuer to meet its obligations under the relevant Floating Rate Notes or Reset Notes or could have a material adverse effect on the value or

liquidity of, and the amount payable under, the Floating Rate Notes or Reset Notes. Investors should note that the relevant Independent Adviser or the Issuer (as applicable) will have discretion to adjust the relevant Successor Reference Rate or Alternative Reference Rate (as applicable) in the circumstances described above by the application of an Adjustment Spread. Any such adjustment could have unexpected commercial consequences and there can be no assurance that, due to the particular circumstances of each Noteholder, any such adjustment will be favourable to each Noteholder.

In addition, potential investors should also note that:

(1) no Successor Reference Rate or Alternative Reference Rate (as applicable) will be adopted, and no other amendments to the terms of the Notes will be made if, and to the extent that, in the determination of the relevant Issuer, the same could reasonably be expected to prejudice the qualification of the relevant Notes as (a) in the case of Tier 2 Notes, Tier 2 Capital of the relevant Issuer and/or the Group, and (b) in the case of Tier 2 Notes, Senior Non-Preferred Notes or Senior Preferred Notes, MREL Eligible Liabilities (for example, if such amendment could be considered as the introduction of an incentive to redeem the relevant Notes); and/or

(2) in the case of Senior Non-Preferred Notes and Senior Preferred Notes only, no Successor Reference Rate or Alternative Reference Rate (as applicable) will be adopted, and no other amendments to the terms of the Notes will be made if, and to the extent that, in the determination of the relevant Issuer, the same could reasonably be expected to result in the Relevant Regulator and/or the Relevant Resolution Authority treating the next Interest Payment Date or Reset Date, as the case may be, as the effective maturity of the Notes, rather than the relevant Maturity Date.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable, or any of the international or national reforms and the possible application of the benchmark replacement provisions of the Notes in making any investment decision with respect to any Notes linked to or referencing a "benchmark".

Although it is uncertain whether or to what extent any of the abovementioned changes and/or any further changes in the administration or method of determining a benchmark could have an effect on the value of Notes which are linked to a benchmark, investors should be aware that they face the risk that any changes to the relevant benchmark may have a material adverse effect on the value of and the amount payable under the Notes.

The interest rate on Reset Notes will reset on each Reset Date, which can be expected to affect the interest payments on an investment in Reset Notes and could affect the market value of Reset Notes.

Reset Notes will initially bear interest at the Initial Rate of Interest until (but excluding) the First Reset Date. On the First Reset Date, the Second Reset Date (if applicable) and each Subsequent Reset Date (if any) thereafter, the Rate of Interest will be reset to the sum of the relevant Reset Reference Rate and the relevant margin as determined by the Calculation Agent on the relevant Reset Determination Date (each such interest rate, a "Subsequent Reset Rate"). The Subsequent Reset Rate for any Reset Period could be less than the Initial Rate of Interest or the Subsequent Reset Rate for prior Reset Periods and could adversely affect the market value of an investment in the Reset Notes.

The value of Fixed Rate Notes may be adversely affected by movements in market interest rates.

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Fixed Rate Notes.

If the Notes include a feature to convert the interest basis from a fixed rate to a floating rate, or vice versa, this may affect the secondary market and the market value of the Notes concerned.

Fixed/Floating Rate Notes are Notes which bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Such a feature to convert the interest basis, and any conversion of the interest basis, may affect the secondary market in, and the market value of, such Notes as the change of interest basis may result in a lower interest return for Noteholders. Where the Notes convert from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. Where the Notes convert from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on those Notes and could affect the market value of an investment in the relevant Notes.

Notes which are issued at a substantial discount or premium may experience price volatility in response to changes in market interest rates.

The market values of securities issued at a substantial discount (such as Zero Coupon Notes) or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared with conventional interest-bearing securities with comparable maturities.

In relation to any Green Bonds there can be no assurance that the relevant use of proceeds will be suitable for the investment criteria of an investor

In relation to any Notes described in the applicable Pricing Supplement as Green Bonds (such Notes, "Green Bonds") it is the relevant Issuer's intention to apply an amount equal to the net proceeds from the offer of the Notes to finance or re-finance, in whole or in part, Eligible Green Assets (as defined in "*Use of Proceeds*" below) originated by the Group.

For the avoidance of doubt, neither the net proceeds of the Notes nor any amount equal to such net proceeds will be segregated by the relevant Issuer from its capital and other assets and there will be no direct or contractual link between the Notes and any Eligible Green Assets (or any other environmental, social, governance or similar targets set by the Group), and Noteholders will have no direct or indirect interest in, or recourse to, or preferred right against, any Eligible Green Asset, and Eligible Green Assets are not collateral for the Issuers' obligations under the Notes. Payment of any principal or interest in respect of Notes issued as Green Bonds will be made from the relevant Issuer's general funds and will not be directly linked to or depend on the performance of any Eligible Green Asset or the performance of either, or both, of the Issuers or the Group in respect of any environmental, social, governance or similar targets. Additionally, there is no arrangement in place that enhances the performance of any Notes issued as Green Bonds.

Prospective investors should have regard to the information in this Offering Circular regarding such use of an amount equal to such net proceeds and must determine for themselves the relevance of such information for the purpose of any investment in the Notes together with any other investigation such investor deems necessary. In particular no assurance is given by the relevant Issuer that the use of an amount equal to such net proceeds for any Eligible Green Assets will satisfy, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates (in particular with regard to any direct or indirect environmental impact of any projects or uses, the subject of or related to, the relevant Eligible Green Assets). Furthermore, it should be noted that there is currently no clearly defined definition (legal, regulatory or otherwise) of, nor market consensus as to what constitutes, a "green" or an

equivalently-labelled loan or as to what precise attributes are required for a particular loan to be defined as "green" or such other equivalent label nor can any assurance be given that such a clear definition or consensus will develop over time. Accordingly, no assurance is or can be given to investors by the Issuers or any person that any loans or uses the subject of, or related to, any Eligible Green Assets will meet any or all investor expectations regarding such "green" or "other equivalently-labelled performance objectives (including under Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment (the so-called EU Taxonomy) or Regulation (EU) 2020/852 as it forms part of domestic law in the United Kingdom by virtue of the EUWA) or that any adverse environmental and/or other impacts will not occur during the implementation of any projects or uses the subject of, or related to, any Eligible Green Assets.

No assurance or representation is given by the Issuers or any other person as to the suitability or reliability for any purpose whatsoever of any opinion or certification of any third party (whether or not solicited by the relevant Issuer) which may or may not be made available in connection with the issue of the Notes and in particular with any Eligible Green Assets to fulfil any environmental and/or other criteria. For the avoidance of doubt, any such opinion or certification is not, nor shall be deemed to be, incorporated in and/or form part of this Offering Circular. Any such opinion or certification is not, nor should it be deemed to be, a recommendation by the relevant Issuer or any other person to buy, sell or hold the Notes. Any such opinion or certification is only current as of the date that it was originally issued and the criteria and/or considerations that underlie such opinion or certification may change at any time. Prospective investors must determine for themselves the relevance of any such opinion or certification and/or the information contained therein and/or the provider of such opinion or certification for the purpose of any investment in the Notes. Currently, the providers of such opinions and certifications are not subject to any specific oversight or regulatory or other regime.

The withdrawal of any opinion or certification as described above, or any such opinion or certification attesting that the relevant Issuer is not complying in whole or in part with any matters for which such opinion or certification is opining or certifying on may have a material adverse effect on the value of the Notes, and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose.

In the event that any such Notes are listed or admitted to trading or otherwise displayed on any dedicated "green", "environmental", "sustainable" or other equivalently-labelled segment of any stock exchange or securities market (whether or not regulated), no representation or assurance is given by the Issuers, the Arranger, the Dealers or any other person that such listing, admission or display satisfies, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required, or intend, to comply. Furthermore, it should be noted that the criteria for any such listings or admission to trading or display may vary from one stock exchange or securities market to another. No representation or assurance is given or made by the Issuers, the Arranger, the Dealers or any other person that any such listing or admission to trading or display will be obtained in respect of any such Notes or, if obtained, that any such listing or admission to trading or display will be maintained during the life of the relevant Notes.

It is the intention of the relevant Issuer to apply an amount equal to the net proceeds of the Notes in, or substantially in, the manner described in the Issuer's Green Bond Framework (as defined in "*Use of Proceeds*" below) and this Offering Circular. However, whilst (in line with the Green Bond Framework) the relevant Issuer aims to ensure timely allocation of an amount equal to the net proceeds of the Notes to Eligible Green Assets there can be no assurance that the relevant loan(s) or use(s) which are the subject of, or related to, any Eligible Green Assets will be capable of being implemented in or substantially in such manner and/or in accordance with any timing schedule and that accordingly the amount equal to such net proceeds will be totally disbursed for the specified Eligible Green Assets. Nor can there be any assurance that such Eligible Green Assets will be completed within any specified period or at all or with the results or outcome (whether or not related to the environment) as originally expected or anticipated by the relevant Issuer. While any net proceeds from the issue of the Notes remain unallocated, the relevant Issuer will hold and/or invest

the balance of net proceeds not yet allocated to green activities to cash or other short-term and liquid securities. There may be periods when a sufficient aggregate amount of Eligible Green Assets is not available or has not been allocated to fully cover the net proceeds of each Green Bond. Additionally, the maturity of any Eligible Green Asset may not match the minimum duration of any Note issued as a Green Bond.

Any such event or failure to apply an amount equal to the net proceeds of the issue of the Notes (either totally or partially) for any Eligible Green Assets, as aforesaid, or to obtain and publish any such reports, assessments, opinions and certifications, or the fact that the maturity of an Eligible Green Asset may not match the minimum duration of the Notes, or the failure by the relevant Issuer to meet any other environmental targets, will not (i) constitute an event of default under the Notes, (ii) create an obligation for the relevant Issuer to redeem the Notes or be a relevant factor for the relevant Issuer in determining whether or not exercise any optional redemption rights in respect of the Notes; (iii) give Noteholders an option to redeem the Notes; (iv) constitute an incentive to redeem; or (v) prejudice the Notes' qualification as own funds or eligible liabilities. The Notes may also be subject, as applicable, to any of the other risks highlighted in these risk factors, including any bail-in and resolution measures available under the Greek BRRD Law in the same way as any other Notes issued under the Programme are subject thereto. In particular, the Notes will be subject to the exercise of the general bail-in tool to the same extent and with the same ranking as any other note which is not a Green Bond. Further, Notes which are intended to be own funds or eligible liabilities, as with other such notes, will be fully subject to the application of CRR eligibility criteria and BRRD requirements (to the extent applicable) and, as such, net proceeds from the Notes will cover any and all losses arising on the balance sheet of the relevant Issuer (in the same way as the Issuer's other instruments not classified as Green Bonds) regardless of their "green" label. Additionally, their labelling as Green Bonds will not (i) affect the regulatory treatment of the Notes as own funds or eligible liabilities (if applicable) or (ii) have any impact on their status as indicated in Conditions 2, 3 or 4.

The occurrence of any of the above factors may cause damage to the Issuers' reputation and may have a material adverse effect on the value of such Notes and also potentially the value of any other Instruments which are intended to finance Eligible Green Assets and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose (which consequences may include the need to sell such Notes as a result of such Instruments not falling within the investor's investment criteria or mandate).

Investors should refer to the Green Bond Framework (as further described in "*Use of Proceeds*" below) for further information.

Risks Related to Notes generally

Set out below is a description of material risks relating to the Notes generally:

The Conditions of the Notes contain provisions which may permit their modification without the consent of all investors.

The Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders, including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority. To the extent that Noteholders are required to be organised as a group pursuant to Greek Law 4548/2018, such law would prevent a Noteholder who holds at least one quarter of the Issuer's share capital from voting at meetings of Noteholders.

The Conditions of the Notes also provide that the relevant Issuer may, without the consent of Noteholders, substitute another company (including any Successor in Business or Holding Company of the relevant Issuer) as principal debtor under any Notes in its place of the relevant Issuer, in the

circumstances and subject to the conditions described in Condition 16. Furthermore, in the event that "Substitution to Holding Company" is specified as "Applicable" in the applicable Pricing Supplement, in relation to Notes issued by Piraues Bank, PFH, any Successor in Business of PFH or any other Holding Company of Piraeus Bank may be substituted as Issuer and, in relation to Notes issued by PFH, any Holding Company of PFH may be substituted as Issuer (in each case, without any guarantee from the original issuer). No assurance can be given as to the impact of any substitution of the relevant Issuer as described above and any such substitution could materially adversely impact the value of any Notes affected by it.

Investors who hold less than the minimum Specified Denomination may be unable to sell their Notes and may be adversely affected if definitive Notes are subsequently required to be issued.

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts in excess of the minimum Specified Denomination that are not integral multiples of such minimum Specified Denomination. In such a case, a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system would not be able to sell the remainder of such holding without first purchasing a principal amount of Notes at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination. Further, a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination.

If such Notes in definitive form are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade. This may have a detrimental impact on the value of the Notes in the secondary market.

The value of the Notes could be adversely affected by a change in English law or Greek law or administrative practice.

The Conditions of the Notes are based on English law and Greek law in effect as at the date of this Offering Circular (see Condition 19). No assurance can be given as to the impact of any possible judicial decision or change to English law or Greek law or administrative practice after the date of this Offering Circular and any such change could materially adversely impact the value of any Notes affected by it.

Because the Global Notes are held on behalf of Euroclear and Clearstream, Luxembourg, investors will have to rely on their procedures for transfer, payment and communication with the relevant Issuer.

Notes issued under the Programme may be represented by one or more Global Notes. Such Global Notes will be deposited with a common depositary or a common safekeeper for Euroclear and Clearstream, Luxembourg. Except in the circumstances described in the relevant Global Note, investors will not be entitled to receive definitive Notes. Euroclear and Clearstream, Luxembourg will maintain records of the beneficial interests in the Global Notes. While the Notes are represented by one or more Global Notes, investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg.

While the Notes are represented by one or more Global Notes, the relevant Issuer will discharge their payment obligations under the Notes by making payments to the common depositary or common safekeeper for Euroclear and Clearstream, Luxembourg for distribution to their

accountholders. A holder of a beneficial interest in a Global Note must rely on the procedures of Euroclear and Clearstream, Luxembourg to receive payments under the relevant Notes. The relevant Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes.

Holders of beneficial interests in the Global Notes will not have a direct right to vote in respect of the relevant Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear and Clearstream, Luxembourg to appoint appropriate proxies. Similarly, holders of beneficial interests in the Global Notes will not have a direct right under the Global Notes to take enforcement action against the relevant Issuer in the event of a default under the relevant Notes.

Taxation

Potential investors of Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts or delivery of securities under the Notes and the consequences of such actions under the tax laws of those countries. Please refer to the "*Taxation*" section.

In particular, investors should note that the Greek income taxation framework is subject to frequent amendments which are often enacted with limited prior notice and discretionary interpretation by the local tax authorities. Further, non-Greek tax residents may have to submit a declaration of non-residence or produce documentation evidencing non-residence in order to claim any exemption under applicable tax laws of Greece. In such context, Greek law 4646/2019 enacted on 12 December 2019, introduced certain exemptions from Greek withholding tax on interests payments made as of 1 January 2020 in respect of certain debt securities, such as the Notes, which are held by non-Greek tax residents and listed on certain trading venues (Please refer to the "*Taxation*" section). As at the date of this Offering Circular, there is no administrative guidance with respect to the documents or other information and the process that a person holding relevant Notes should provide and observe, respectively, to benefit from such exemption.

Risks related to the market generally

Set out below is a brief description of the material market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

An active secondary market in respect of the Notes may never be established or may be illiquid and this would adversely affect the value at which an investor could sell its Notes.

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid and such liquidity may be sensitive to changes in financial markets. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case should the Issuer be in financial distress, which may result in any sale of the Notes having to be at a substantial discount to their principal amount or for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. In addition, existing liquidity arrangements (for example, re-purchase agreements by the Issuers) might not protect Noteholders from having to sell their Notes at substantial discount below their principal amount, in case of financial distress of the Issuers. Illiquidity may have a severely adverse effect on the market value of Notes.

Difference between the Notes and bank deposits

An investment in the Notes may give rise to higher yields than a bank deposit. However, an investment in the Notes carries risks which are very different from the risks associated with a bank

deposit, with the higher yield of the Notes generally attributable to the greater risks associated with investment in the Notes. Holders may lose all or some of their investment in the Notes.

The Notes are expected to be less liquid than bank deposits. Bank deposits are generally repayable on demand, or with notice from the depositors, whereas (except where Investor Put is specified as being applicable in the applicable Pricing Supplement) holders of the Notes have no ability to require early repayment of their investment other than in an event of default (see Condition 11 of the Conditions of the Notes). Furthermore, although the Notes are transferable, the Notes may have no established trading market when issued, and one may never develop. See "*An active secondary trading market in respect of the Notes may never be established or may be illiquid and this would adversely affect the value at which an investor could sell its Notes*".

If an investor holds Notes which are not denominated in the investor's home currency, it will be exposed to movements in exchange rates adversely affecting the value of its holding. In addition, the imposition of exchange controls in relation to any Notes could result in an investor not receiving payments on those Notes.

The Issuers will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "Investor's Currency") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (i) the Investor's Currency-equivalent yield on the Notes, (ii) the Investor's Currency-equivalent value of the principal payable on the Notes and (iii) the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Credit ratings assigned to the relevant Issuer or any Notes may not reflect all the risks associated with an investment in those Notes.

One or more independent credit rating agencies may assign credit ratings to the relevant Issuer or the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspended or withdrawn by the rating agency at any time.

In general, European regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes in the EEA, unless such ratings are issued by a credit rating agency established in the EEA and registered under the CRA Regulation (and such registration has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances). Such general restriction will also apply in the case of credit ratings issued by third country non-EEA credit rating agencies, unless the relevant credit ratings are endorsed by an EEA-registered credit rating agency or the relevant third country rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances). The list of registered and certified rating agencies published by the European Securities and Markets Authority (ESMA) on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list.

Investors regulated in the UK are subject to similar restrictions under the UK CRA Regulation. As such, UK regulated investors are required to use for UK regulatory purposes ratings issued by a credit rating agency established in the UK and registered under the UK CRA Regulation. In the case of ratings issued by third country non-UK credit rating agencies, third country credit ratings can either be: (a) endorsed by a UK registered credit rating agency; or (b) issued by a third country credit rating agency that is certified in accordance with the UK CRA Regulation. Note this is subject, in each case, to (a) the relevant UK registration, certification or endorsement, as the case may be, not having been withdrawn or suspended, and (b) transitional provisions that apply in certain circumstances. In the case of third country ratings, for a certain limited period of time, transitional relief accommodates continued use for regulatory purposes in the UK, of existing pre-2021 ratings, provided the relevant conditions are satisfied.

If the status of the rating agency rating the Notes changes for the purposes of the CRA Regulation or the UK CRA Regulation, relevant regulated investors may no longer be able to use the rating for regulatory purposes in the EEA or the UK, as applicable, and the Notes may have a different regulatory treatment, which may impact the value of the Notes and their liquidity in the secondary market. Certain information with respect to the credit rating agencies and ratings is set out on the cover of this Offering Circular.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents which have previously been published or are published simultaneously with this Offering Circular and have been filed with the Luxembourg Stock Exchange shall be incorporated by reference in, and form part of, this Offering Circular:

(a) the 2019 Annual Financial Report of the former Piraeus Bank Société Anonyme (available at https://www.piraeusholdings.gr/en/investors/financials/financial-statements?category=Financial-Statements#2019|1) including the following sections:

(i) ESMA's Alternative Performance Measures ("APMs") which appear on pages 85 to 87 of the 2019 Annual Financial Report;

(ii) the independent auditor's report on the audit of the separate and consolidated financial statements as of and for the financial year ended 31 December 2019 which appears on pages 88 to 94 of the 2019 Annual Financial Report; and

(iii) the audited consolidated financial statements as at and for the financial year ended 31 December 2019 which appears on pages 95 to 337 of the 2019 Annual Financial Report. The statement of financial position appears on page 97, the income statement appears on page 95, the statement of total comprehensive income appears on page 96, the cash flow statement appears on page 100, the statement of changes in equity appears on pages 98 and 99 and the notes to the financial statements appear on pages 101 to 337 of the 2019 Annual Financial Report;

(b) the 2020 Annual Financial Report of PFH (available at https://www.piraeusholdings.gr/en/investors/financials/financial-statements?category=Financial-Statements#2020|1) including the following sections:

(i) ESMA's Alternative Performance Measures ("APMs") which appear on pages 100 to 102 of the 2020 Annual Financial Report;

(ii) the independent auditor's report on the audit of the separate and consolidated financial statements as of and for the financial year ended 31 December 2020 which appears on pages 103 to 109 of the 2020 Annual Financial Report; and

(iii) the audited consolidated financial statements as at and for the financial year ended 31 December 2020 which appears on pages 110 to 363 of the 2020 Annual Financial Report. The statement of financial position appears on page 112, the income statement appears on page 110, the statement of total comprehensive income appears on page 111, the cash flow statement appears on page 115, the statement of changes in equity appears on pages 113 and 114 and the notes to the financial statements appear on pages 116 to 363 of the 2020 Annual Financial Report;

(c) the 2021 Consolidated Interim Financial Statements of PFH for the six month period ended 30 June 2021 (available at https://www.piraeusholdings.gr/en/Investors/Financials/Financial-Statements?category=Financial-Statements). The consolidated interim statement of financial position appears on page 44, the consolidated interim income statement appears on page 40, the consolidated interim statement of comprehensive income appears on page 41, the interim cash flow statement appears on page 47, the consolidated interim statement of changes in equity appears on page 45 and the notes to the consolidated interim financial Statements appear on pages 48 to 111 of that document. In addition, the consolidated and separate interim income statement of the main subsidiary of the Group, Piraeus Bank, appears on page 90 and the consolidated and separate statement of financial position of Piraeus Bank appears on page 91 of that document;

(d) the draft Demerger deed dated 27 August 2020 (available at https://www.piraeusbank.gr/~/media/ED565C51CA9240DD99D92EE19B816B63.ashx);

(e) the report of the Board of Directors of Piraeus Bank S.A. to the General Meeting of the shareholders pursuant to Article 61 of Law 4601/2019 regarding the demerger by way of hive-down of the banking activity sector and its contribution into a new banking entity to be incorporated (available at https://www.piraeusbank.gr/~/media/84C58601F6EE4AF08BF19EB8E405161D.ashx);

(f) the 2020 Annual Financial Report of Piraeus Bank (available at https://www.piraeusholdings.gr/en/Investors/Financials/Financial-Statements?category=Consolidated-Companies#2020|1) including the following sections:

(i) ESMA's Alternative Performance Measures ("APMs") which appear on pages 63 and 64 of the 2020 Annual Financial Report;

(ii) the independent auditor's report on the audit of the separate and consolidated financial statements as of and for the financial year ended 31 December 2020 which appears on pages 65 to 71 of the 2020 Annual Financial Report; and

(iii) the audited consolidated financial statements as at and for the financial year ended 31 December 2020 which appears on pages 72 to 225 of the 2020 Annual Financial Report. The statement of financial position appears on page 72 and the notes to the financial statements appear on pages 73 to 225 of the 2020 Annual Financial Report.

Any non-incorporated parts of a document referred to herein are either deemed not relevant for an investor or are otherwise covered elsewhere in this Offering Circular.

Any documents themselves incorporated by reference in the documents incorporated by reference in this Offering Circular shall not form part of this Offering Circular.

This Offering Circular, each Pricing Supplement relating to Notes admitted to trading on the Luxembourg Stock Exchange and the documents incorporated by reference will be published on PFH's website https://www.piraeusholdings.gr/el/investors and https://www.piraeusholdings.gr/el/investors/financials/debt-issuance-capacity.

The Issuers will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Offering Circular which is capable of affecting the assessment of any Notes, prepare a supplement to this Offering Circular or publish a new Offering Circular for use in connection with any subsequent issue of Notes.

Note in accordance with paragraph 2 of Article 23 of Law 3556/2007

On 16 April 2021, following the letter of the Hellenic Capital Market Commission dated 16 April 2021 with regard to the review of PFH's annual financial report for the year ended 31 December 2020, PFH announced to investors the following supplementary information in relation to its annual audited consolidated financial statements as at and for the year ended 31 December 2020.

On Note 4.1 "*Critical judgements in applying the Group's accounting policies*", PFH clarified that the total book value of investment properties that are not individually significant, as defined by the Group, *i.e*. those with a carrying amount lower than €5 million, and for which their fair value has been assessed on a collective basis by internal fair value specialists, is €0.6 billion.

With regard to Note 4.2 "*Key sources of estimation uncertainty*", PFH noted that the estimated loss from the sale through the securitisation of project Vega and project Phoenix portfolios, provided that all conditions precedent included in the binding agreements signed between the Group and Intrum AB (publ) ("Intrum") are fulfilled, and all required approvals are obtained, amounts to approximately €1.6 billion. The said loss has been determined based on: (i) the value of the senior and subordinated

notes held by the Group amounting to €2.4 billion, as disclosed in Note 3 and Note 32; (ii) the carrying amount of the portfolios as of 31 December 2020, amounting to €3.8 billion as disclosed in Note 4.2 and Note 21; and (iii) the cash of the special purpose vehicles and transaction costs. The risk-weighted asset relief for the Group following the sale of the aforementioned portfolios is expected to amount to approximately €3.6 billion. The combined impact on the Group's capital adequacy ratio is estimated at 2.5 percentage points and has already been disclosed to the investment community through the presentation of the Group's Sunrise Plan (as described herein) made on 16 March 2021.

In reference to Note 50 "*Events subsequent to the end of the reporting period*" PFH provided the following additional information about the Group's Sunrise Plan, which is a holistic strategic plan comprising three pillars, all intricately linked and inter-dependent, as follows: (i) the acceleration of the reduction of our non-performing exposures (the "NPE") rate; (ii) the successful completion of the envisaged capital enhancement actions, which include, *inter alia*, the completed share capital increase (as described herein) and the completed offering of perpetual (Additional Tier 1 capital) notes; and (iii) the successful and timely completion of the Group's Transformation Plan (as described herein) which aims, among others, to enhance the Group's pre-provision income by implementing a series of revenue strengthening and operating cost reduction actions improving its our efficiency and operations.

Provided that all the envisaged actions and assumptions made in the context of setting out our three-pillar plan eventually occur without material deviations compared to those initially planned, the preliminary assessment of the NPE Reduction Plan's (as described herein) impact ignoring any favourable effects from the other two pillars and excluding the project Phoenix and Vega portfolios, is a loss of approximately €2.4 billion, while the estimated relief of risk-weighted assets for the Group approximates €7.4 billion. The consequent impact on the Group's capital adequacy ratio is estimated at 4.1 percentage points and has already been disclosed to the investment community through the presentation of our Sunrise Plan made on 16 March 2021. The aforementioned estimates will be revised and finalised after the completion of the respective transactions, the final determination of price considerations and the calculation of the transaction costs.

FORM OF THE NOTES

Each Tranche of Notes will be in bearer form and will be initially issued in the form of a temporary global Note without interest coupons or talons or, if so specified in the applicable Pricing Supplement, a permanent global note (a "Permanent Global Note") which, in either case, will:

(i) if the Global Notes are intended to be issued in new global note ("NGN") form, as stated in the applicable Pricing Supplement, be delivered on or prior to the original issue date of the Tranche to a common safekeeper (the "Common Safekeeper") for Euroclear and Clearstream, Luxembourg; and

(ii) if the Global Notes are not intended to be issued in NGN form, as stated in the applicable Pricing Supplement, be delivered on or prior to the original issue date of the Tranche to a common depositary (the "Common Depositary") for, Euroclear and Clearstream, Luxembourg.

Where the Global Notes issued in respect of any Tranche are in NGN form, the applicable Pricing Supplement will also indicate whether such Global Notes are intended to be held in a manner that would allow Eurosystem eligibility. Any indication that the Global Notes are to be so held does not necessarily mean that the Notes of the relevant Tranche will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any times during their life as such recognition depends upon satisfaction of the Eurosystem eligibility criteria. The Common Safekeeper for NGNs will either be Euroclear or Clearstream, Luxembourg or another entity approved by Euroclear and Clearstream, Luxembourg.

Whilst any Note is represented by a temporary global Note, payments of principal, interest (if any) and any other amount payable in respect of the Notes due prior to the Exchange Date (as defined below) will be made outside the United States and its possessions (against presentation of the temporary global Note if the temporary global Note is not intended to be issued in NGN form) only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of interests in such Note are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by Euroclear and/or Clearstream, Luxembourg and Euroclear and/or Clearstream, Luxembourg, as applicable, has given a like certification (based on the certifications it has received) to the Agent. Any reference in this Section "Form of the Notes" to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearance system approved by the relevant Issuer and the Agent.

On and after the date (the "Exchange Date") which is the later of (i) 40 days after the date on which any temporary global Note is issued and (ii) 40 days after the completion of the distribution of the relevant Tranche (the "Distribution Compliance Period"), interests in such temporary global Note will be exchangeable (free of charge) upon request as described therein either for interests in a permanent global Note without interest coupons or talons, or for definitive Notes with, where applicable, interest coupons and talons attached (as indicated in the applicable Pricing Supplement) in each case against certification of beneficial ownership as described in the immediately preceding paragraph. The holder of a temporary global Note will not be entitled to collect any payment of interest, principal or other amount due on or after the Exchange Date unless upon due certification exchange of the temporary Global Note is improperly withheld or refused.

Pursuant to the Agency Agreement (as defined under "*Terms and Conditions of the Notes*" below) the Agent shall arrange that, where a further Tranche of Notes is issued which is intended to form a single Series with an existing Tranche of Notes at a point after the Issue Date of the further Tranche, the Notes of such further Tranche shall be assigned a common code and ISIN by Euroclear and Clearstream, Luxembourg which are different from the common code and ISIN assigned to Notes of any other Tranche of the same Series until such time as the Tranches are consolidated and form a

single Series, which shall not be prior to the expiry of the Distribution Compliance Period applicable to the Notes of such Tranche.

If the holder of any Notes must be organised in a group pursuant to article 63 of Greek law 4548/2018, to the extent applicable, the Issuer shall appoint an agent of the holders of any such Notes (the "Noteholders Agent") in accordance with Condition 21 of the Notes below.

Payments of principal, interest (if any) or any other amounts on a permanent global Note will be made through Euroclear and/or Clearstream, Luxembourg (against presentation or surrender (as the case may be) of the permanent global Note if the permanent global Note is not intended to be issued in NGN form) without any requirement for certification.

The applicable Pricing Supplement will specify that a permanent global Note will be exchangeable (free of charge), in whole but not in part, for definitive Notes with, where applicable, interest coupons and talons attached upon the occurrence of an Exchange Event as described therein. "Exchange Event" means (i) in the case of Senior Preferred Liquidity Notes, an Event of Default has occurred and is continuing or in the case of Senior Preferred Notes, Senior Non-Preferred Notes or Tier 2 Notes, any Restricted Event of Default has occurred and is continuing, (ii) the relevant Issuer has been notified that either Euroclear or Clearstream, Luxembourg has been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or has announced an intention permanently to cease business or has in fact done so and no alternative clearing system is available or (iii) at the option of the relevant Issuer at any time. The relevant Issuer will promptly give notice to Noteholders in accordance with Condition 15 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event as described above, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such permanent global Note) may give notice to the Agent requesting exchange. Any such exchange shall occur not later than 30 days after the date of receipt of the first relevant notice by the Agent.

The following legend will appear on all permanent global Notes that have a maturity of more than one year (including unilateral rollovers and extensions), definitive Notes, interest coupons and talons:

"ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE."

Notes which are represented by a Global Note will only be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg as the case may be.

Any reference herein to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Pricing Supplement.

A Note may be accelerated by the holder thereof in certain circumstances described in Condition 11. In such circumstances, where any Note is still represented by a Global Note and the Global Note (or any part thereof) has become due and repayable in accordance with the Terms and Conditions of the Notes and payment in full of the amount due has not been made in accordance with the provisions of the Global Note then, unless within the period of seven days commencing on the relevant due date payment in full of the amount due in respect of this Global Note is received by the bearer, from 8.00 p.m. (London time) on such seventh day holders of interest in such Global Note credited to their accounts with Euroclear and/or Clearstream, Luxembourg, as the case may be, will become entitled to proceed directly against the relevant Issuer on the basis of statements of account provided by Euroclear and Clearstream, Luxembourg, on and subject to the terms of an amended and restated deed of covenant (the "Deed of Covenant") dated 30 September 2021 executed by the Issuers.

FORM OF PRICING SUPPLEMENT

Set out below is the form of Pricing Supplement which will be completed for each Tranche of Notes issued under the Programme.

[**MiFID II product governance / Professional investors and ECPs only target market** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "MiFID II"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

U**K MIFIR product governance / Professional investors and ECPs only target market** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("COBS"), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("UK MiFIR"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "UK MiFIR Product Governance Rules") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

OR

[**MIFID II product governance / Retail investors, professional investors and ECPs** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties, professional clients and retail clients, each as defined in [Directive 2014/65/EU (as amended, **MiFID II**)][MiFID II]; ***EITHER*** [and (ii) all channels for distribution of the Notes are appropriate, including investment advice, portfolio management, non-advised sales and pure execution services] ***OR*** [(ii) all channels for distribution to eligible counterparties and professional clients are appropriate; and (iii) the following channels for distribution of the Notes to retail clients are appropriate - investment advice[,/ and] portfolio management[,/ and][non-advised sales][and pure execution services][, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable]]. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels[, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable].]]

[**UK MIFIR product governance / Retail investors, professional investors and ECPs target market** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is retail clients, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it

forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("EUWA"), and eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("COB"S), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA ("UK MiFIR"); **EITHER** [and (ii) all channels for distribution of the Notes are appropriate, including investment advice, portfolio management, non-advised sales and pure execution services] **OR** [(ii) all channels for distribution to eligible counterparties and professional clients are appropriate; and (iii) the following channels for distribution of the Notes to retail clients are appropriate - investment advice[,/ and] portfolio management[,/ and][non-advised sales][and pure execution services][, subject to the distributor's suitability and appropriateness obligations under COBS, as applicable]]. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "UK MiFIR Product Governance Rules") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels[, subject to the distributor's suitability and appropriateness obligations under COBS, as applicable].]]

[**PROHIBITION OF SALES TO EEA RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA"). For these purposes, a "retail investor" means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No. 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]

[**PROHIBITION OF SALES TO UK RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("UK"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("EUWA"); (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "UK PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]

[**Singapore SFA Product Classification**: In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore, as modified from time to time (the "SFA") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "CMP Regulations 2018") the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are ['prescribed capital markets products']/['capital markets products other than prescribed capital markets products'] (as defined in the CMP Regulations 2018) and [Excluded Investment Products]/[Specified Investment Products] (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).]

APPLICABLE PRICING SUPPLEMENT

[Date]

[PIRAEUS FINANCIAL HOLDINGS S.A./
PIRAEUS BANK S.A.]

Legal Entity Identifier (LEI): [M6AD1Y1KW32H8THQ6F76/213800OYHR1MPQ5VJL60]

Issue of
[Aggregate Principal Amount of Tranche] [Title of Notes]
Issued under the

€25,000,000,000 Euro Medium Term Note Programme

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions of the Notes (the "Conditions") set forth in the Offering Circular dated 30 September 2021 [and the supplement[s] to it dated [*date*][and [*date*]]] (the "Offering Circular"). This document constitutes the Pricing Supplement of the Notes described herein and must be read in conjunction with the Offering Circular in order to obtain all relevant information. This Pricing Supplement, the Offering Circular [and the supplement[s]] [is][are] available for viewing at www.bourse.lu and https://www.piraeusholdings.gr/el/.

[*The following alternative language applies if the first tranche of an issue which is being increased was issued under an Offering Circular with an earlier date.*

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions of the Notes (the "Conditions") set forth in the Offering Circular dated [ ] which are incorporated by reference in the Offering Circular dated 30 September 2021. This document constitutes the Pricing Supplement of the Notes described herein and must be read in conjunction with the Offering Circular dated 30 September 2021 [and the supplement[s] to it dated [*date*][and [*date*]]] (the "Offering Circular") including the Conditions incorporated by reference in the Offering Circular, in order to obtain all relevant information. Copies of this Pricing Supplement, the Offering Circular and the supplement[s] to such Offering Circular [is] [are] available for viewing at [*website*].]

[(*Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or subparagraphs (in which case the sub-paragraphs of the paragraphs which are not applicable can be deleted). Italics denote directions for completing the Pricing Supplement.*)]

[*If the Notes have a maturity of less than one year from the date of their issue, the minimum denomination must be £100,000 or its equivalent in any other currency.*]

1.	(i)	Series Number:	[ ]
	(ii)	Tranche Number:	[ ]
	(iii)	Date on which the Notes will be consolidated and form a single Series:	[Not Applicable]/[The Notes will be consolidated and form a single Series with [*provide issue amount/ISIN/maturity date/issue date of earlier Tranches*] on [the Issue Date/exchange of the Temporary Global Note for interests in the

			Permanent Global Note, as referred to in paragraph 27(i) below, which is expected to occur on or about [*date*]].]
2.	Specified Currency or Currencies:		[ ]
3.	Aggregate Nominal Amount:		
	(i)	Series:	[ ]
	(ii)	Tranche:	[ ]
4.	Issue Price:		[ ] per cent. of the Aggregate Nominal Amount [plus accrued interest from [*insert date*] (*if applicable*)]
5.	(i)	Specified Denominations:	[ ] (*N.B. Notes must have a minimum denomination of EUR 100,000 (or equivalent)*) (*Note where multiple denominations above [€100,000] or equivalent are being used the following sample wording should be followed:* *"[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No Notes in definitive form will be issued with a denomination above [€199,000]."*)
	(ii)	Calculation Amount:	[ ] *(If only one Specified Denomination, insert the Specified Denomination. If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations.)*
6.	(i)	Issue Date:	[ ]
	(ii)	Interest Commencement Date:	[*specify*/Issue Date/Not Applicable]
7.	Maturity Date:		[Fixed Rate or Reset Notes (unless adjusted) – *specify date*/ *Floating rate – Interest Payment Date falling in or nearest to [specify month*]] (*N.B. If the Maturity Date is less than one year from the Issue Date, any Notes must have a minimum redemption value of €100,000 (or its equivalent in other currencies) and be sold only to professional investors (or another applicable exception from section 19 of the Financial Services and Markets Act 2000 must be available).*)

8.	Interest Basis:		[[ ] per cent. Fixed Rate] [Reset Notes] [[ ] month [[EURIBOR] +/- [ ] per cent. Floating Rate] [Zero Coupon] (further particulars specified below)
9.	Redemption/[Payment] Basis:		Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [ ] per cent. of their nominal amount. (*N.B. In the case of Notes other than Zero Coupon Notes, the redemption must be at least 100 per cent. of the nominal amount*)
10.	Change of Interest Basis:		[Not Applicable/*specify the date when any fixed to floating rate change occurs or cross refer to paragraphs 13 and 15 below and identify there*]
11.	Put/Call Options:		[Investor Put] [Issuer Call] [Not Applicable]
12.	(a)	Status of the Notes:	[Senior Preferred Liquidity Notes/Senior Preferred Notes/Senior Non-Preferred Notes/Tier 2 Notes] *(N.B. PFH may not issue Senior Preferred Liquidity Notes)*
	(b)	[Date [Board] approval for issuance of Notes obtained:	[ ] [and [ ], respectively]] *(N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes)*

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

13.	Fixed Rate Note Provisions:		[Applicable/Not Applicable] (*If not applicable, delete the remaining subparagraphs of this paragraph*)
	(i)	Rate(s) of Interest:	[ ] per cent. per annum payable in arrear on each Interest Payment Date
	(ii)	Interest Payment Date(s):	[[ ] in each year up to and including the Maturity Date [adjusted in accordance with paragraphs 13(vii) and 13(viii) below]]
	(iii)	Fixed Coupon Amount(s): (*Applicable to Notes in definitive form.*)	[ ] per Calculation Amount

	(iv)	Broken Amount(s): (*Applicable to Notes in definitive form.*)	[[ ] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [ ]/Not Applicable]
	(v)	Day Count Fraction:	[30/360 or Actual/Actual (ICMA)]
	(vi)	Determination Date(s):	[[ ] in each year]/[Not Applicable] (*Only relevant where Day Count Fraction is Actual/Actual (ICMA). In such a case, insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon*)
	(vii)	Business Day Convention:	[Not Applicable/Following Business Day Convention/Preceding Business Day Convention/Modified Following Business Day Convention]
	(viii)	Business Centre(s):	[ ]/[Not Applicable]
14.	Reset Note Provisions:		[Applicable/Not Applicable] (*If not applicable, delete the remaining subparagraphs of this paragraph*)
	(i)	Initial Rate of Interest:	[ ] per cent. per annum payable in arrear on each Interest Payment Date
	(ii)	First Margin:	[+/-][ ] per cent. per annum
	(iii)	Subsequent Margin:	[[+/-][ ] per cent. per annum] [Not Applicable]
	(iv)	Interest Payment Date(s):	[[ ] in each year up to and including the Maturity Date/[specify date] [adjusted in accordance with paragraphs 14(xix) and (xx) below]]
	(v)	Fixed Coupon Amount to (but excluding) the First Reset Date: (*Applicable to Notes in definitive form*)	[ ] per Calculation Amount
	(vi)	Broken Amount(s): (*Applicable to Notes in definitive form*)	[[ ] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [ ]][Not Applicable]
	(vii)	First Reset Date:	[ ]
	(viii)	Second Reset Date:	[ ]/[Not Applicable]
	(ix)	Subsequent Reset Date(s):	[ ] [and [ ]] [Not Applicable]
	(x)	Relevant Screen Page:	[ ]
	(xi)	Reset Reference Rate:	[Mid-Swap Rate/CMT Rate/Reference Bond]

	(xii)	Mid-Swap Rate:	[Single Mid-Swap Rate/Mean Mid-Swap Rate]
	(xiii)	Mid-Swap Floating Leg Frequency:	[ ]
	(xiv)	First Reset Period Fallback Yield:	[ ]/[Not Applicable] (*Only applicable where the Reset Reference Rate is CMT Rate or Reference Bond*)
	(xv)	Fallback Relevant Time:	[ ]/[Not Applicable] (*Only applicable where the Reset Reference Rate is CMT Rate*)
	(xvi)	Benchmark Frequency:	[ ]
	(xvii)	Day Count Fraction:	[30/360 or 360/360 or Actual/Actual (ICMA)]
	(xviii)	Determination Date(s):	[[ ] in each year][Not Applicable] (*Only relevant where Day Count Fraction is Actual/Actual (ICMA). In such a case, insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon.*)
	(xix)	Business Day Convention:	[Not Applicable/Following Business Day Convention/Preceding Business Day Convention/Modified Following Business Day Convention]
	(xx)	Business Centre(s):	[ ]/[Not Applicable]
	(xxi)	Calculation Agent:	[ ]
15.	Floating Rate Note Provisions:		[Applicable/Not Applicable] (*If not applicable, delete the remaining subparagraphs of this paragraph*)
	(i)	Specified Period(s)/Specified Interest Payment Dates:	[ ]
	(ii)	Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]
	(iii)	Additional Business Centre(s):	[ ]
	(iv)	Manner in which the Rate of Interest and Interest Amount is to be determined:	[Screen Rate Determination/ISDA Determination]

(v)	Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent):	[ ]
(vi)	Screen Rate Determination:	[Applicable/Not Applicable]
	• Reference Rate:	[ ] month [[currency] EURIBOR]
	• Interest Determination Date(s):	[ ] [ ] [Second day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in London prior to the start of each Interest Period] [First day of each Interest Period] [Second day on which the TARGET2 System is open prior to the start of each Interest Period]
	• Relevant Screen Page:	[ ] (*In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately*)
(vii)	ISDA Determination:	[Applicable/Not Applicable]
	• ISDA Definitions:	[2006 ISDA Definitions]/[2021 ISDA Definitions] *(The 2021 ISDA Definitions should not be selected before their effective date of 4 October 2021*)
	• Floating Rate Option	[ ] (*Ensure this is a Floating Rate Option included in the Floating Rate Matrix (as defined in the 2021 ISDA Definitions)*)
	• Designated Maturity:	[ ]/[Not Applicable] (*A Designated Maturity period is not relevant where the relevant Floating Rate Option is a risk-free rate*)
	• Reset Date:	[ ] (*In the case of a EURIBOR based option, the first day of the interest period*)
	• Compounding:	[Applicable/Not Applicable]

(*If not applicable, delete the remaining items of this subparagraph*)

- Compounding Method: [Compounding with Lookback

  Compounding with Lookback Period: [[●] Applicable Business Days]/[As specified in the Compounding/Averaging Matrix (as defined in the 2021 ISDA Definitions)]]

  [Compounding with Observation Period Shift

  Compounding with Observation Shift Period: [[●] Observation Period Shift Business Days]/[As specified in the Compounding/Averaging Matrix (as defined in the 2021 ISDA Definitions)]

  Set-in-Advance: [Applicable/Not Applicable]]

  [Compounding with Lockout

  Compounding with Lockout Period: [[●] Lockout Period Business Days]/[As specified in the Compounding/Averaging Matrix (as defined in the 2021 ISDA Definitions)]]

  [IOS Compounding]]

(viii) Linear Interpolation: [Not Applicable/Applicable - the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (*specify for each short or long interest period*)]

(ix) Margin(s): [+/-] [ ] per cent. per annum

(x) Minimum Rate of Interest: [[ ] per cent. per annum] / [Not Applicable]

(xi) Maximum Rate of Interest: [[ ] per cent. per annum] / [Not Applicable]

(xii) Day Count Fraction: [Actual/Actual (ISDA) or Actual/Actual
Actual/365 (Fixed)
Actual/365 (Sterling)
Actual/360
30/360 or 360/360 or Bond Basis
30E/360 or Eurobond basis
30E/360 (ISDA)]

(*See Condition 5 for alternatives*)

16. Zero Coupon Note Provisions: [Applicable/Not Applicable]

(*If not applicable, delete the remaining subparagraphs of this paragraph)*

(i) Accrual Yield: [ ] per cent. per annum

	(ii)	Reference Price:	[ ]
	(iii)	Day Count Fraction in relation to Early Redemption Amounts:	[30/360] [Actual/360] [Actual/365]
17.	Benchmark Replacement:		[Applicable/Not Applicable]

PROVISIONS RELATING TO REDEMPTION, SUBSTITUTION AND VARIATION

18.	Notice periods for Condition 6(b) [and Condition 6[(c)/(d)]]:		Minimum period: [ ] days Maximum period: [ ] days
19.	Issuer Call:		[Applicable/Not Applicable] (*If not applicable, delete the remaining subparagraphs of this paragraph*)
	(i)	Optional Redemption Date(s):	[ ]
	(ii)	Optional Redemption Amount and method, if any, of calculation of such amount(s):	[[ ] per Calculation Amount] [Not Applicable]
	(iii)	If redeemable in part:	
		(a) Minimum Redemption Amount:	[ ] per Calculation Amount] [Not Applicable]
		(b) Maximum Redemption Amount:	[ ] per Calculation Amount] [Not Applicable]
	(iv)	Notice periods:	Minimum period: [ ] days Maximum period: [ ] days
20.	Capital Disqualification Event (Condition 6(c)):		[Applicable/Not Applicable]
21.	MREL Disqualification Event (Condition67(d)):		[Applicable/Not Applicable]
	[If Applicable:]		[ ]
	MREL Disqualification Event Effective Date (Condition 6(d):		
22.	Substitution to Holding Company:		[Applicable/Not Applicable]
23.	Investor Put:		[Applicable/Not Applicable] (*If not applicable, delete the remaining subparagraphs of this paragraph*)
	(i)	Optional Redemption Date(s):	[ ]

	(ii) Optional Redemption Amount:	[ ] per Calculation Amount
	(iii) Notice periods:	Minimum period: [ ] days Maximum period: [ ] days
24.	Final Redemption Amount:	[ ] per Calculation Amount
25.	Early Redemption Amount payable on redemption for taxation reasons[, on a Capital Disqualification Event][, on an MREL Disqualification Event] or on event of default:	[As per Condition 6/[ ] per Calculation Amount]
26.	Substitution and Variation:	[Applicable/Not Applicable]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

27.	Form of Notes:	
	(i) Form:	[Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes upon an Exchange Event] [Temporary Global Note exchangeable for Definitive Notes on and after the Exchange Date] [Permanent Global Note exchangeable for Definitive Notes upon an Exchange Event] *(Ensure that this is consistent with the wording in the "Form of the Notes" section in the Offering Circular and the Notes themselves N.B. The option for an issue of Notes to be represented on issue by a Temporary Global Note exchangeable for Definitive Notes should not be expressed to be applicable if the Specified Denomination of the Notes in paragraph 6 includes language substantially to the following effect: "[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]."*)
	(ii) New Global Note:	[Yes][No]
28.	Additional Financial Centre(s):	[Not Applicable/[ ]] (*Note that this paragraph relates to the date of payment and not the end dates of Interest Periods for the purposes of calculating the amount of interest, to which sub-paragraph 15(iii) relates*)
29.	Talons for future Coupons to be attached to Definitive Notes:	[Yes, as the Notes have more than 27 coupon payments, Talons may be required if, on

		exchange into definitive form, more than 27 coupon payments are still to be made/No]

FURTHER INFORMATION

30.	Other relevant Terms and Conditions (in case the Notes are issued in a form not contemplated by the Terms and Conditions):	[*Specify variations to the Terms and Conditions, if any (N.B.: Where Notes are to be admitted to trading on the Euro MTF market of the Luxembourg Stock Exchange, these variations shall be limited to the features of the interest and redemption basis.)*]

THIRD PARTY INFORMATION

[[*Relevant third party information*] has been extracted from [*specify source*]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [*specify source*], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of [Piraeus Financial Holdings S.A.][Piraeus Bank S.A.]:

By: .....
Duly Authorised

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

(i)	Listing and Admission to trading	[Not Applicable][Application has been made by the Issuer (or on its behalf) for the Notes to be listed on the Official List of the Luxembourg Stock Exchange and to be admitted to trading on the Luxembourg Stock Exchange's Euro MTF market with effect from [ ].] (*Where documenting a fungible issue need to indicate that original Notes are already admitted to trading.*) (*Notes may not be listed or admitted to trading on any market in the EEA which has been designated as a regulated market for the purposes of MiFID II.)*
(ii)	Estimate of total expenses related to admission to trading:	[ ]

2. RATINGS

Ratings:	[The Notes to be issued [[have been]/[are expected to be]] rated]/[The following ratings reflect ratings assigned to Notes of this type issued under the Programme generally]: [[*insert details*] by [*insert the legal name of the relevant credit rating agency entity(ies) and associated defined terms*]]. [Each of [*defined terms*] is established in the European Union/United Kingdom and is registered under the Regulation (EC) No. 1060/2009 (as amended) (the "CRA Regulation").] (*The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.*)

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

[Save for any fees payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The [Managers/Dealers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business. – *Amend as appropriate if there are other interests*]

[*(When adding any other description, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Offering Circular.)*]

4. YIELD (Fixed Rate Notes Only)

Indication of yield: [ ]/[Not Applicable]

5. REASONS FOR THE OFFER AND ESTIMATED NET PROCEEDS

(i)	Reasons for the offer:	[See ["*Use of Proceeds*"] in the Offering Circular/*give details*] [Green Bonds – [An amount equal to the net proceeds from the issue of the Notes is intended to be used for the purposes of the finance and/or refinance, in whole or in part, of Eligible Green Assets.]
(ii)	Estimated net proceeds:	[ ]

6. OPERATIONAL INFORMATION

(i)	ISIN:	[ ]
(ii)	Common Code:	[ ]
(iii)	CFI Code:	[[See/[[*include code*], as updated as set out on the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]
(iv)	FISN:	[[See/[[*include code*], as updated as set out on the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]
(v)	Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A. and the relevant identification number(s):	[Not Applicable/[ ]]
(vi)	Delivery:	Delivery [against/free of] payment
(vii)	Names and addresses of additional Paying Agent(s) (if any):	[ ]/[Not Applicable]
(viii)	Name of Noteholders Agent (if any):	[ ]/[Not Applicable]

(ix)	Intended to be held in a manner which would allow Eurosystem eligibility:	[Yes. Note that the designation "Yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safe-keeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.] [No. Whilst the designation is specified as "No" at the date of this Pricing Supplement, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safe-keeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

7. DISTRIBUTION

(i)	Method of distribution:	[Syndicated/Non-syndicated]
(ii)	If syndicated, names of Managers:	[Not Applicable/[ ]]
(iii)	Date of [Subscription] Agreement:	[ ]
(iv)	Stabilisation Manager(s) (if any):	[Not Applicable/[ ]]
(v)	If non-syndicated, name of relevant Dealer:	[Not Applicable/[ ]]
(vi)	U.S. Selling Restrictions:	[Reg. S Compliance Category 2; TEFRA D/TEFRA C/TEFRA not applicable]
(vii)	Prohibition of Sales to EEA Retail Investors:	[Applicable/Not Applicable] (*If the Notes clearly do not constitute "packaged" products or the Notes do constitute "packaged" products and a key information document will be prepared, "Not Applicable" should be specified.* *If the Notes may constitute "packaged" products, "Applicable" should be specified.*)

(viii)	Prohibition of Sales to UK Retail Investors:	[Applicable/Not Applicable] *(If the Notes clearly do not constitute "packaged" products or the Notes do constitute "packaged" products and a key information document will be prepared, "Not Applicable" should be specified.* *If the Notes may constitute "packaged" products, "Applicable" should be specified.)*
(ix)	Additional Selling Restrictions:	(*Include any additional selling restrictions*)

8. EU BENCHMARKS REGULATION

Article 29(2) statement on benchmarks:	[Not Applicable] [Applicable: Amounts payable under the Notes are calculated by reference to [*insert name[s] of benchmark(s)*], which [is/are] provided by [*insert name[s] of the administrator[s] – if more than one specify in relation to each relevant benchmark*]. [As at the date of this Pricing Supplement, [*insert name[s] of the administrator[s]*] [is/are] [not] included in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority [("ESMA")] pursuant to article 36 of the Benchmark Regulation (Regulation (EU) 2016/1011) [(the "BMR")].] [*repeat as necessary*]]

TERMS AND CONDITIONS OF THE NOTES

The following are the terms and conditions of the Notes (the "Conditions") which will be incorporated by reference into each global Note and each definitive Note, in the latter case only if permitted by the relevant stock exchange (if any) and agreed by the relevant Issuer and the relevant Dealer at the time of issue but, if not so permitted and agreed, each definitive Note will have endorsed thereon or attached thereto such Conditions. The term "Issuer" as used in these Conditions refers to the Issuer specified as such in the applicable Pricing Supplement in relation to a particular Tranche of Notes. The applicable Pricing Supplement in relation to any Tranche of Notes may specify other terms and conditions which shall, to the extent so specified, complete the following Conditions for the purpose of such Notes. The applicable Pricing Supplement (or the relevant provisions thereof) will be endorsed upon, or attached to, each global Note and each definitive Note. Reference should be made to "Form of the Notes" and "Applicable Pricing Supplement" for a description of the content of Pricing Supplement which will specify which of such terms are to apply in relation to the relevant Notes.

This Note is one of a Series of notes issued by the Issuer specified as such in the applicable Pricing Supplement (as defined below), being either Piraeus Financial Holdings S.A. ("PFH") or Piraeus Bank S.A. ("Piraeus Bank") (together the "Issuers") the notes of such Series being hereinafter called the "Notes", which expression shall mean (i) in relation to any Notes represented by a global Note, units of each Specified Denomination in the Specified Currency, (ii) definitive Notes issued in exchange for a global Note and (iii) any global Note issued in accordance with an amended and restated Fiscal Agency Agreement (the "Agency Agreement", which expression shall include any amendments or supplements thereto) dated 30 September 2021 and made between PFH, Piraeus Bank and Deutsche Bank AG, London Branch in its capacity as Issuing and Principal Paying Agent (the "Agent", which expression shall include any successor to Deutsche Bank AG, London Branch in its capacity as such and a "Paying Agent", together with any additional or successor paying agents appointed in accordance with the Agency Agreement, the "Paying Agents").

The Notes and the Coupons (each as defined below) have the benefit of an amended and restated deed of covenant (the "Deed of Covenant", which expression shall include any amendments or supplements thereto) dated 30 September 2021 executed by the Issuers in relation to the Notes. The original Deed of Covenant is held by the common depositary for Euroclear and Clearstream, Luxembourg (each as defined below).

Interest bearing definitive Notes will (unless otherwise indicated in the applicable Pricing Supplement) have interest coupons ("Coupons") and, in the case of Notes which, when issued in definitive form, have more than 27 interest payments remaining, talons for further Coupons ("Talons") attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons.

The Pricing Supplement for this Note (or the relevant provisions thereof) are set out in Part A of the Pricing Supplement attached hereto or endorsed hereon which complete these Conditions for the purposes of this Note. References herein to "applicable Pricing Supplement" are to Part A of the Pricing Supplement attached hereto or endorsed hereon.

If the holder of any Notes must be organised in a group pursuant to article 63 of Greek law 4548/2018, to the extent applicable, the Issuer shall appoint an agent of the holders of the relevant Notes (the "Noteholders Agent") in accordance with Condition 21 of the Notes below. If no such Noteholders Agent in respect of an issue of Notes is appointed, any references to a Noteholders Agents or a Noteholders Agency Agreement in these Conditions shall not be relevant in respect of such Notes. As used herein, "Tranche" means Notes which are identical in all respects (including as to listing and admission to trading) and "Series" means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and form a single series and (ii) identical in all respects (including as to listing) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

Any reference to "Noteholders" or "holders" in relation to any Notes shall mean the holders of the Notes and shall, in relation to any Notes represented by a global Note, be construed as provided below. Any reference herein to "Couponholders" shall mean the holders of the Coupons and shall, unless the context otherwise requires, include the holders of the Talons.

Certain provisions of these Conditions are summaries of the Agency Agreement and are subject to their detailed provisions. The Noteholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Agency Agreement, the Deed of Covenant and the applicable Pricing Supplement which are applicable to them. Copies of the Agency Agreement and the Deed of Covenant are available for inspection at the specified office of each of the Agent and the other Paying Agents and of the Noteholders Agent. Copies of any document required to be so available by these Conditions shall be provided by email by the Paying Agents to Noteholders, following the Noteholder's prior written request and provision of proof of holding and identity (in a form satisfactory to the relevant Paying Agent). If the Notes are to be admitted to trading on the Luxembourg Stock Exchange's Euro MTF market, the applicable Pricing Supplement will be published on the website of the Luxembourg Stock Exchange (*www.bourse.lu*).

Words and expressions defined in the Agency Agreement or the Deed of Covenant or which are used in the applicable Pricing Supplement shall have the same meanings where used in these terms and conditions (the "Conditions") unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Agency Agreement or Deed of Covenant and the applicable Pricing Supplement, the applicable Pricing Supplement will prevail.

In the Conditions, "euro" means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended.

1. FORM, DENOMINATION AND TITLE

The Notes are in bearer form in the currency (the "Specified Currency") and the denomination(s) (the "Specified Denomination(s)") specified in the applicable Pricing Supplement and, in the case of definitive Notes, serially numbered. Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination.

This Note may (i) bear interest calculated by reference to one or more fixed rates of interest (such Note, a "Fixed Rate Note"), (ii) bear interest calculated by reference to, in the case of an initial period, an initial fixed rate of interest and, thereafter, the applicable fixed rate of interest that has been determined pursuant to the reset provisions contained in these Conditions (such Note, a "Reset Note"), (iii) bear interest calculated by reference to one or more floating rates of interest (such Note, a "Floating Rate Note"), (iv) be issued on a non-interest bearing basis and be offered and sold at a discount to its nominal amount (such Note, a "Zero Coupon Note") or (v) have an interest rate determined on the basis of a combination of any of the foregoing, depending upon the Interest Basis shown in the applicable Pricing Supplement.

This Note may be a Senior Preferred Liquidity Note, a Senior Preferred Note, a Senior Non-Preferred Note or a Tier 2 Note, depending upon the Status of the Notes shown in the applicable Pricing Supplement.

PFH may not issue Senior Preferred Liquidity Notes.

Definitive Notes are issued with Coupons attached, unless they are Zero Coupon Notes in which case references to Coupons and Couponholders in these Conditions are not applicable.

Subject as set out below, title to the Notes and Coupons will pass by delivery. Except as ordered by a court of competent jurisdiction or as required by law, the Issuer and any Paying Agent shall (subject as provided below) be entitled to deem and treat (and no such person will be liable for so deeming and treating) the bearer of any Note or Coupon as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes is represented by a global Note (including Notes issued in new global note ("NGN") form, as specified in the applicable Pricing Supplement) held on behalf of Euroclear Bank SA/NV ("Euroclear") and/or Clearstream Banking S.A. ("Clearstream, Luxembourg") each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a particular nominal amount of Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Agent, any other Paying Agent and the Noteholders Agent as the holder of such nominal amount of Notes for all purposes other than with respect to the payment of principal or interest on such Notes, for which purpose the bearer of the relevant global Note shall be treated by the Issuer, the Agent, any other Paying Agent and the Noteholders Agent as the holder of such nominal amount of Notes in accordance with and subject to the terms of the relevant global Note (and the expressions "Noteholder" and "holder of Notes" and related expressions shall be construed accordingly).

Notes which are represented by a global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear or of Clearstream, Luxembourg, as the case may be. Any reference herein to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system approved by the Issuer and the Agent and specified in the applicable Pricing Supplement.

2. STATUS OF THE SENIOR PREFERRED LIQUIDITY NOTES AND SENIOR PREFERRED NOTES; NO SET-OFF (SENIOR PREFERRED NOTES)

(a) This Condition 2 only applies to Notes which are specified as Senior Preferred Liquidity Notes or Senior Preferred Notes in the applicable Pricing Supplement. Condition 2(c) applies to Senior Preferred Notes only. References in this Condition 2 to "Notes", "Coupons" and "holders" shall be construed accordingly.

(b) Subject to any mandatory provisions of law, the Notes and any relative Coupons constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer which will at all times rank: (A) pari passu without any preference among themselves; (B) at least pari passu with all other present and future unsecured and unsubordinated obligations of the Issuer (save for such obligations as may be preferred (with a higher ranking) by mandatory provisions of applicable law) in terms of ranking compared with the Notes; and (C) in priority to Junior Liabilities (to Senior Preferred Notes).

"Additional Tier 1 Capital" has the meaning given in the Capital Regulations from time to time.

"Junior Liabilities (to Senior Preferred Notes)" means present and future claims in respect of any obligations of the Issuer which rank or are expressed to rank junior to the Notes including (without limitation) in respect of (A) any Senior Non-Preferred Liabilities (as defined below), (B) any Tier 2 Notes issued by the Issuer (and all other

present and future unsecured obligations of the Issuer which rank or are expressed to rank pari passu with any Tier 2 Notes issued by the Issuer), (C) any Additional Tier 1 Capital issued by the Issuer (and all other present and future unsecured obligations of the Issuer which rank or are expressed to rank pari passu with any Additional Tier 1 Capital issued by the Issuer) and (D) the share capital of the Issuer and all other present and future unsecured obligations of the Issuer which rank or are expressed to rank *pari passu* with any class of the share capital of the Issuer.

"Senior Non-Preferred Liabilities" means any present and future claims in respect of unsubordinated and unsecured obligations of the Issuer which meet the requirements of article 145A paragraph 1(i) of Greek law 4261/2014, as applicable, or which rank by law or are expressed to rank pari passu with such claims.

(c) Subject to applicable law, no holder of any Senior Preferred Notes may exercise or claim any right of set-off in respect of any amount owed to it by the Issuer arising under or in connection with the Senior Preferred Notes or thereto, and each holder shall, by virtue of its subscription, purchase or holding of any Senior Preferred Note, be deemed to have waived irrevocably all such rights of set-off. Notwithstanding the provision of the previous sentence, to the extent that any set-off takes place, whether by operation of law or otherwise, between: (y) any amount owed by the Issuer to a holder arising under or in connection with the Senior Preferred Notes; and (z) any amount owed to the Issuer by such holder, such holder will immediately transfer such amount which is set off to the Issuer or, in the event of its special liquidation within the meaning of article 145 of Greek law 4261/2014, winding up or dissolution, the special liquidator, administrator or other relevant insolvency official of the Issuer, to be held on trust for or on behalf and in the name of (as applicable) the Senior Creditors of the Issuer (to Senior Preferred Notes) (as defined below).

"Senior Creditors of the Issuer (to Senior Preferred Notes)" means creditors of the Issuer who are unsubordinated creditors of the Issuer whose claims rank or are expressed to rank in priority (including creditors in respect of obligations that may rank higher in priority by mandatory provisions of applicable law) to the claims of the holders of Senior Preferred Liquidity Notes and Senior Preferred Notes (whether only in the winding-up or special liquidation within the meaning of article 145 of Greek law 4261/2014 of the Issuer or otherwise).

3. STATUS OF SENIOR NON-PREFERRED NOTES; NO SET-OFF

(a) This Condition 3 only applies to Notes which are specified as Senior Non-Preferred Notes in the applicable Pricing Supplement. References in this Condition 3 to "Notes", "Coupons" and "holders" shall be construed accordingly.

(b) The Notes and any relative Coupons are intended to constitute Senior Non-Preferred Liabilities and, subject to any mandatory provisions of law, constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer which will at all times rank:

(i) pari passu without any preference among themselves;

(ii) at least pari passu with all other Senior Non-Preferred Liabilities;

(iii) in priority to Junior Liabilities (to Senior Non-Preferred Notes) (as defined below); and

(iv) junior to present and future obligations of the Issuer in respect of Senior Creditors of the Issuer (to Senior Non-Preferred Notes).

"Junior Liabilities (to Senior Non-Preferred Notes)" means any present and future claims in respect of obligations of the Issuer which rank or are expressed to rank junior to the Notes, including (without limitation) in respect of (A) any Tier 2 Notes issued by the Issuer (and all other present and future unsecured obligations of the Issuer which rank or are expressed to rank pari passu with any Tier 2 Notes issued by the Issuer), (B) any Additional Tier 1 Capital issued by the Issuer (and all other present and future unsecured obligations of the Issuer which rank or are expressed to rank pari passu with any Additional Tier 1 Capital issued by the Issuer) and (C) the share capital of the Issuer and all other present and future unsecured obligations of the Issuer which rank or are expressed to rank *pari passu* with any class of the share capital of the Issuer.

"Senior Creditors of the Issuer (to Senior Non-Preferred Notes)" means creditors of the Issuer whose claims rank or are expressed to rank in priority to the claims of the holders of any Senior Non-Preferred Notes, including (without limitation) any Senior Creditors of the Issuer (to Senior Preferred Notes) and the holders of any Senior Preferred Liquidity Notes and Senior Preferred Notes.

(c) Subject to applicable law, no holder may exercise or claim any right of set-off in respect of any amount owed to it by the Issuer arising under or in connection with the Notes or thereto, and each holder shall, by virtue of its subscription, purchase or holding of any Note, be deemed to have waived irrevocably all such rights of set-off. Notwithstanding the provision of the previous sentence, to the extent that any set-off takes place, whether by operation of law or otherwise, between: (y) any amount owed by the Issuer to a holder arising under or in connection with the Notes; and (z) any amount owed to the Issuer by such holder, such holder will immediately transfer such amount which is set off to the Issuer or, in the event of its special liquidation within the meaning of article 145 of Greek law 4261/2014, winding up or dissolution, the special liquidator, administrator or other relevant insolvency official of the Issuer, to be held on trust for or on behalf and in the name of (as applicable) the Senior Creditors of the Issuer (to Senior Non-Preferred Notes).

4. STATUS OF TIER 2 NOTES; NO SET-OFF

(a) This Condition 4 only applies to Notes which are specified as Tier 2 Notes in the applicable Pricing Supplement. References in this Condition 4 to "Notes", "Coupons" and "holders" shall be construed accordingly.

(b) Subject to any mandatory provisions of law, the Notes and any relative Coupons constitute direct, unsecured and subordinated obligations of the Issuer which will at all times rank *pari passu* without any preference among themselves.

The claims of the Noteholders will be subordinated to the claims of Senior Creditors of the Issuer (to Tier 2 Notes) (as defined below) in that, in the event of the winding up or special liquidation within the meaning of article 145 of Greek law 4261/2014 of the Issuer, payments of principal and interest in respect of the Notes will be conditional upon the Issuer being solvent at the time of payment by the Issuer and in that no principal or interest shall be payable in respect of the Notes at such time except to the extent that the Issuer could make such payment and still be solvent immediately thereafter. For this purpose, the Issuer shall be considered to be solvent if it can pay principal and interest in respect of the Notes and still be able to pay its outstanding debts to Senior Creditors of the Issuer (to Tier 2 Notes), which are due and payable.

"Senior Creditors of the Issuer (to Tier 2 Notes)" means creditors of the Issuer (a) who are unsubordinated creditors of the Issuer, or (b) who are subordinated creditors of

the Issuer whose claims rank or are expressed to rank in priority to the claims of the holders of Tier 2 Notes (whether in the winding up or special liquidation within the meaning of article 145 of Greek law 4261/2014 of the Issuer or otherwise).

In the case of dissolution, liquidation, special liquidation within the meaning of article 145 of Greek law 4261/2014 and/or bankruptcy (as the case may be and to the extent applicable) of the Issuer, the holders will only be paid by the Issuer after all Senior Creditors of the Issuer (to Tier 2 Notes) have been paid in full and the holders irrevocably waive their right to be treated equally with all other unsecured, unsubordinated creditors of the Issuer in such circumstances. Such waiver constitutes a genuine contract benefitting third parties and, according to article 411 of the Greek Civil Code, or, as the case may be, any other equivalent provision of the law applicable to the Tier 2 Notes, creates rights for Senior Creditors of the Issuer (to Tier 2 Notes).

(c) Subject to applicable law, no holder of any Notes may exercise or claim any right of set-off in respect of any amount owed to it by the Issuer arising under or in connection with the Notes or thereto, and each holder shall, by virtue of its subscription, purchase or holding of any Note, be deemed to have waived irrevocably all such rights of set-off. Notwithstanding the provision of the previous sentence, to the extent that any set-off takes place, whether by operation of law or otherwise, between: (y) any amount owed by the Issuer to a holder arising under or in connection with the Notes; and (z) any amount owed to the Issuer by such holder, such holder will immediately transfer such amount which is set off to the Issuer or, in the event of its winding up, dissolution or special liquidation within the meaning of article 145 of Greek law 4261/2014, the liquidator, special liquidator, administrator or other relevant insolvency official of the Issuer, to be held on trust for or on behalf and in the name of (as applicable) the Senior Creditors of the Issuer (to Tier 2 Notes).

5. INTEREST

(a) *Interest on Fixed Rate Notes*

(i) Each Fixed Rate Note bears interest from (and including) the Interest Commencement Date specified in the applicable Pricing Supplement at the rate(s) per annum equal to the Rate(s) of Interest so specified payable in arrear on the Interest Payment Date(s) in each year and on the Maturity Date so specified if that does not fall on an Interest Payment Date.

If the Notes are in definitive form, except as provided in the applicable Pricing Supplement, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Pricing Supplement, amount to the Broken Amount so specified.

(ii) As used in these Conditions, “Fixed Interest Period” means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

(iii) Except in the case of Notes in definitive form where an applicable Fixed Coupon Amount or Broken Amount is specified in the applicable Pricing Supplement, interest shall be calculated in respect of any period by applying the Rate of Interest to:

(A) in the case of Fixed Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Fixed Rate Notes represented by such Global Note; or

(B) in the case of Fixed Rate Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Fixed Rate Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination without any further rounding.

"Day Count Fraction" means, in respect of the calculation of an amount of interest in accordance with this Condition 5(a) or Condition 5(b):

(i) if "Actual/Actual (ICMA)" is specified in the applicable Pricing Supplement:

(a) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date the "Accrual Period" is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Pricing Supplement) that would occur in one calendar year; or

(b) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:

(1) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates (as specified in the applicable Pricing Supplement) that would occur in one calendar year; and

(2) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and

(ii) if "30/360" is specified in the applicable Pricing Supplement, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date)

to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360.

In these Conditions:

"Calculation Amount" will be as specified in the applicable Pricing Supplement;

"Determination Period" means each period from (and including) a Determination Date to but excluding the next Determination Date (including, where the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date); and

"sub-unit" means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, means one cent.

(b) *Interest on Reset Notes*

(i) *Rates of Interest and Interest Payment Dates*

Each Reset Note bears interest:

(A) from (and including) the Interest Commencement Date specified in the applicable Pricing Supplement to (but excluding) the First Reset Date at the rate per annum equal to the Initial Rate of Interest;

(B) from (and including) the First Reset Date to (but excluding) the Second Reset Date or, if no such Second Reset Date is specified in the applicable Pricing Supplement, the Maturity Date at the rate per annum equal to the First Reset Rate of Interest; and

(C) if applicable, from (and including) the Second Reset Date to (but excluding) the first Subsequent Reset Date (if any), and each successive period from (and including) any Subsequent Reset Date to (but excluding) the next succeeding Subsequent Reset Date (if any) or the Maturity Date, as the case may be (each a "Subsequent Reset Period") at the rate per annum equal to the relevant Subsequent Reset Rate of Interest,

(in each case rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) payable, in each case, in arrear on the Interest Payment Date(s) in each year and on the Maturity Date so specified if that does not fall on an Interest Payment Date.

The Rate of Interest and the amount of interest (the "Interest Amount") payable shall be determined by the Calculation Agent, (A) in the case of the Rate of Interest, at or as soon as practicable after each time at which the Rate of Interest is to be determined, and (B) in the case of the Interest Amount in accordance with the provisions for calculating amounts of interest in Condition 5(a) and, for such purposes, references in Condition 5(a)(iii) to "Fixed Rate Notes" shall be deemed to be to "Reset Notes" and Condition 5(a) shall be construed accordingly.

In these Conditions:

"Fallback Relevant Time" has the meaning specified in the applicable Pricing Supplement;

"First Margin" means the margin specified as such in the applicable Pricing Supplement;

"First Reset Date" means the date specified in the applicable Pricing Supplement;

"First Reset Period" means the period from (and including) the First Reset Date until (but excluding) the Second Reset Date or, if no such Second Reset Date is specified in the applicable Pricing Supplement, the Maturity Date;

"First Reset Period Fallback Yield" means the yield specified in the applicable Pricing Supplement;

"First Reset Rate of Interest" means, in respect of the First Reset Period and subject to Condition 5(b)(ii) (if applicable), the rate of interest determined by the Calculation Agent on the relevant Reset Determination Date as the sum, converted from a basis equivalent to the Benchmark Frequency specified in the applicable Pricing Supplement to a basis equivalent to the frequency with which scheduled interest payments are payable on the Notes during the relevant Reset Period (such calculation to be determined by the Issuer in conjunction with a leading financial institution selected by it), of (A) the relevant Reset Reference Rate and (B) the First Margin;

"H.15" means the daily statistical release designated as H.15, or any successor publication, published by the board of governors of the Federal Reserve System at http://www.federalreserve.gov/releases/H15/ or such other page, section, successor site or publication as may replace it;

"Initial Rate of Interest" has the meaning specified in the applicable Pricing Supplement;

"Mid-Market Swap Rate" means, for any Reset Period, the mean of the bid and offered rates for the fixed leg payable with a frequency equivalent to the Benchmark Frequency specified in the applicable Pricing Supplement (calculated on the day count basis customary for fixed rate payments in the Specified Currency as determined by the Calculation Agent) of a fixed-for-floating interest rate swap transaction in the Specified Currency which transaction (i) has a term equal to the relevant Reset Period and commencing on the relevant Reset Date, (ii) is in an amount that is representative for a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market and (iii) has a floating leg based on the Mid-Swap Floating Leg Benchmark Rate for the Mid-Swap Floating Leg Frequency (as specified in the applicable Pricing Supplement) (calculated on the day count basis customary for floating rate payments in the Specified Currency as determined by the Calculation Agent);

"Mid-Market Swap Rate Quotation" means a quotation (expressed as a percentage rate per annum) for the relevant Mid-Market Swap Rate;

"Mid-Swap Floating Leg Benchmark Rate" means EURIBOR if the Specified Currency is euro or LIBOR for the Specified Currency if the Specified Currency is not euro;

"Rate of Interest" means the Initial Rate of Interest, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest, as applicable;

"Reference Bond" means, in relation to any Reset Period, a government security or securities issued by the state responsible for issuing the Specified Currency (which, if the Specified Currency is euro, shall be Germany), as selected by the Issuer on the advice of an investment bank of international repute, that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities denominated in the Specified Currency and of a comparable maturity to such Reset Period;

"Reference Bond Quotation" means, in relation to a Reset Reference Bank and a Reset Determination Date:

(a) if CMT Rate is specified as the Reset Reference Rate in the applicable Pricing Supplement, the rate, as determined by the Calculation Agent, as being a yield-to-maturity based on the arithmetic mean of the secondary market bid prices of such Reset Reference Bank for the relevant Reset U.S. Treasury Securities at approximately the Fallback Relevant Time on such Reset Determination Date; or

(b) if Reference Bond is specified as the Reset Reference Rate in the applicable Pricing Supplement, the arithmetic mean, as determined by the Calculation Agent, of the bid and offered yields for the relevant Reference Bond requested by the Issuer and provided to the Calculation Agent by such Reset Reference Bank at approximately 11.00 a.m. in the principal financial centre of the Specified Currency on such Reset Determination Date;

"Reset Business Day" means a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in any Business Centre specified in the applicable Pricing Supplement;

"Reset Date" means the First Reset Date, the Second Reset Date and each Subsequent Reset Date (as applicable);

"Reset Determination Date" means, in respect of the First Reset Period, the second Reset Business Day prior to the First Reset Date, in respect of the first Subsequent Reset Period, the second Reset Business Day prior to the Second Reset Date and, in respect of each Subsequent Reset Period thereafter, the second Business Day prior to the first day of each such Subsequent Reset Period;

"Reset Period" means the First Reset Period or a Subsequent Reset Period, as the case may be;

"Reset Reference Bank Rate" means, in relation to a Reset Period and the Reset Determination Date in relation to such Reset Period, the rate (expressed as a percentage rate per annum and rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards))

determined on the basis of the Reference Bond Quotations requested by the Issuer and provided by the Reset Reference Banks to the Calculation Agent at:

(a) if CMT Rate is specified as the Reset Reference Rate in the applicable Pricing Supplement, the Fallback Relevant Time; or

(b) if Reference Bond is specified as the Reset Reference Rate in the applicable Pricing Supplement, approximately 11.00 a.m. in the principal financial centre of the Specified Currency,

in each case on such Reset Determination Date. If at least three such Reference Bond Quotations are provided, the Reset Reference Bank Rate will be the arithmetic mean (rounded as aforesaid) of the Reference Bond Quotations provided, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest). If only two Reference Bond Quotations are provided, the Reset Reference Bank Rate will be the arithmetic mean (rounded as aforesaid) of the Reference Bond Quotations provided. If fewer than two Reference Bond Quotations are provided, the Reset Reference Bank Rate for the relevant Reset Period will be (a) in the case of each Reset Period other than the First Reset Period, the Reset Reference Rate (or. If applicable, Reset Reference Bank Rate) in respect of the immediately preceding Reset Period or (b) in the case of the First Reset Period, the First Reset Period Fallback Yield;

"Reset Reference Banks" means:

(a) if Mid-Swap Rate is specified as the Reset Reference Rate in the applicable Pricing Supplement, the principal office in the principal financial centre of the Specified Currency of four major banks in the swap, money, securities or other market most closely connected with the relevant Reset Reference Rate as selected by the Issuer on the advice of an investment bank of international repute;

(b) if CMT Rate is specified as the Reset Reference Rate in the applicable Pricing Supplement, the principal office in New York City of five major banks which are primary U.S. Treasury Securities dealers or market makers in pricing corporate bond issues denominated in U.S. dollars as selected by the Issuer on the advice of an investment bank of international repute; or

(c) if Reference Bond is specified as the Reset Reference Rate in the applicable Pricing Supplement, the principal office in the principal financial centre of the Specified Currency of four major banks which are primary government securities dealers or market makers in pricing corporate bond issues denominated in the Specified Currency as selected by the Issuer on the advice of an investment bank of international repute;

"Reset Reference Rate" means, in relation to a Reset Determination Date and subject to Condition 5(b)(ii) (if applicable), either:

(a) if Mid-Swap Rate is specified in the applicable Pricing Supplement:

(i) if Single Mid-Swap Rate is specified in the applicable Pricing Supplement, the rate for swaps in the Specified Currency:

(A) with a term equal to the relevant Reset Period; and

(B) commencing on the relevant Reset Date,

which appears on the Relevant Screen Page or such replacement page on that service which displays the information; or

(ii) if Mean Mid-Swap Rate is specified in the applicable Pricing Supplement, the arithmetic mean (expressed as a percentage rate per annum and rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the bid and offered swap rate quotations for swaps in the Specified Currency:

(A) with a term equal to the relevant Reset Period; and

(B) commencing on the relevant Reset Date,

which appear on the Relevant Screen Page or such replacement page on that service which displays the information,

in either case, as at approximately 11.00 a.m. in the principal financial centre of the Specified Currency on such Reset Determination Date, all as determined by the Calculation Agent;

(b) if CMT Rate is specified in the applicable Pricing Supplement and if the Specified Currency is U.S. dollars, the rate which is equal to:

(i) the yield for U.S. Treasury Securities at "constant maturity" for a designated maturity which is equal to the duration of the relevant Reset Period, as published in the H.15 under the caption "treasury constant maturities (nominal)", as that yield is displayed on such Reset Determination Date, on the Relevant Screen Page; or

(ii) if the yield referred to in paragraph (A) above is not published by approximately 4.30 p.m. New York City time on the Relevant Screen Page on such Reset Determination Date, the yield for the U.S. Treasury Securities at "constant maturity" for a designated maturity which is equal to the duration of the relevant Reset Period as published in the H.15 under the caption "treasury constant maturities (nominal)" on such Reset Determination Date; or

(iii) if the yield referred to in paragraph (B) above is not published by the Fallback Relevant Time on such Reset Determination Date, the Reset Reference Bank Rate on such Reset Determination Date; or

(c) if Reference Bond is specified in the applicable Pricing Supplement the Reset Reference Bank Rate on such Reset Determination Date;

"Reset U.S. Treasury Securities" means, in relation to a Reset Determination Date, U.S. Treasury Securities with a designated maturity which is equal to the duration of the relevant Reset Period and a remaining term to maturity of no less than one year less than the duration of the relevant Reset Period.

If two or more U.S. Treasury Securities have remaining terms to maturity of no less than one year shorter than the Reset Period, the U.S. Treasury Security with the longer remaining term to maturity will be used and if two or more U.S. Treasury Securities have remaining terms to maturity equally close to the duration of the Reset Period, the U.S. Treasury Security with the largest nominal amount outstanding will be used;

"Second Reset Date" means the date specified in the applicable Pricing Supplement;

"Subsequent Margin" means the margin specified as such in the applicable Pricing Supplement;

"Subsequent Reset Date" means the date or dates specified in the applicable Pricing Supplement;

"Subsequent Reset Rate of Interest" means, in respect of any Subsequent Reset Period and subject to Condition 5(b)(ii) (if applicable), the rate of interest determined by the Calculation Agent on the relevant Reset Determination Date as the sum, converted from a basis equivalent to the Benchmark Frequency specified in the applicable Pricing Supplement to a basis equivalent to the frequency with which scheduled interest payments are payable on the Notes during the relevant Reset Period (such calculation to be determined by the Issuer in conjunction with a leading financial institution selected by it), of (A) the relevant Reset Reference Rate and (B) the relevant Subsequent Margin; and

"U.S. Treasury Securities" means securities that are direct obligations of the United States Treasury, issued other than on a discount basis.

(ii) *Fallbacks*

This Condition 5(b)(ii) only applies if the Reset Reference Rate is specified in the applicable Pricing Supplement as Mid-Swap Rate.

Subject as provided in Condition 5(d), if on any Reset Determination Date the Relevant Screen Page is not available or the Reset Reference Rate does not appear on the Relevant Screen Page, the Issuer shall request each of the Reset Reference Banks to provide the Calculation Agent with its Mid-Market Swap Rate Quotation as at approximately 11.00 a.m. in the principal financial centre of the Specified Currency on the Reset Determination Date in question.

If two or more of the Reset Reference Banks provide the Calculation Agent with Mid-Market Swap Rate Quotations, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) for the relevant Reset Period shall be the sum (converted as set out in the definition of such term above) of the arithmetic mean (rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded

upwards)) of the relevant Mid-Market Swap Rate Quotations and the First Margin or Subsequent Margin (as applicable), all as determined by the Calculation Agent.

If on any Reset Determination Date only one of the Reset Reference Banks provides the Calculation Agent with a Mid-Market Swap Rate Quotation as provided in the foregoing provisions of this paragraph, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) shall be the sum (converted as set out in the definition of such term above) (rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the relevant Mid-Market Swap Rate Quotation and the First Margin or Subsequent Margin (as applicable), all as determined by the Calculation Agent.

If on any Reset Determination Date none of the Reset Reference Banks provides the Calculation Agent with a Mid-Market Swap Rate Quotation as provided in the foregoing provisions of this paragraph, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) shall be the sum (converted as set out in the definition of such term above) of the last observable mid-swap rate with an equivalent term and currency to the relevant Reset Reference Rate which appeared on the Relevant Screen Page and the First Margin or Subsequent Margin (as applicable), all as determined by the Calculation Agent.

(iii) *Notification of First Reset Rate of Interest, Subsequent Reset Rate of Interest and Interest Amount*

The Calculation Agent will cause the First Reset Rate of Interest, any Subsequent Reset Rate of Interest and, in respect of a Reset Period, the Interest Amount payable on each Interest Payment Date falling in such Reset Period to be notified, inter alios, to the Issuer and the Agent to separately notify any stock exchange on which the relevant Reset Notes are for the time being listed and notice thereof to be published in accordance with Condition 15 (Notices) as soon as possible after their determination but in no event later than the fourth London Business Day thereafter (or where the relevant Reset Notes are listed on the Luxembourg Stock Exchange, by no later that the first day of the relevant Interest Period). Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment). Any such amendment will be promptly notified by the Agent to each stock exchange on which the relevant Reset Notes are for the time being listed and to the Noteholders in accordance with Condition 15. For the purposes of this paragraph, the expression "London Business Day" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in London.

(iv) *Certificates to be final*

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 5(b) shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Agent, the Calculation Agent, the other Paying Agents and all Noteholders and Couponholders and (in the absence as aforesaid) no liability to the Issuer, the Noteholders or the Couponholders shall attach to the Agent or the Calculation Agent (if applicable) in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(c) *Interest on Floating Rate Notes*

(i) *Interest Payment Dates*

Each Floating Rate Note bears interest from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:

(A) the Specified Interest Payment Date(s) (each an "Interest Payment Date") in each year specified in the applicable Pricing Supplement; or

(B) if no Specified Interest Payment Date(s) is/are specified in the applicable Pricing Supplement, each date (each an "Interest Payment Date") which (save as otherwise mentioned in these Conditions or the applicable Pricing Supplement) falls the number of months or other period specified as the Specified Period in the applicable Pricing Supplement after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period (which expression shall, in these Conditions, mean the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date).

If a Business Day Convention is specified in the applicable Pricing Supplement and (x) if there is no numerically corresponding day on the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day (as defined below), then, if the Business Day Convention specified is:

(1) in any case where Specified Periods are specified in accordance with Condition 5(c)(i)(B) above, the Floating Rate Convention, such Interest Payment Date (i) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (B) below shall apply *mutatis mutandis* or (ii) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (A) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (B) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Payment Date occurred; or

(2) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or

(3) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or

(4) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

"Business Day" means (unless otherwise stated in the applicable Pricing Supplement) a day which is both:

(A) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in each Additional Business Centre specified in the applicable Pricing Supplement; and

(B) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which if the Specified Currency is Australian dollars or New Zealand dollars shall be Melbourne or Wellington respectively) or (2) in relation to any sum payable in euro, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) system (the "TARGET2 System") is open.

(ii) *Rate of Interest*

The Rate of Interest payable from time to time in respect of Floating Rate Notes will be determined in the manner specified in the applicable Pricing Supplement.

(iii) *ISDA Determination for Floating Rate Notes*

Where ISDA Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Pricing Supplement) the Margin (if any). For the purposes of this sub-paragraph (iii), "ISDA Rate" for an Interest Period means a rate equal to the Floating Rate that would be determined by the Agent or other person specified in the applicable Pricing Supplement under an interest rate swap transaction if the Agent or that other person were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating (i) if "2006 ISDA Definitions" is specified in the applicable Pricing Supplement, the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. (**ISDA**) and as amended and updated as at the Issue Date of the first Tranche of the Notes; or (ii) if "2021 ISDA Definitions" is specified in the applicable Pricing Supplement, the latest version of the 2021 ISDA Interest Rate Derivatives Definitions as published by ISDA as at the Issue Date of the first Tranche of the Notes; (together, the **ISDA Definitions**) and under which:

(A) the Floating Rate Option is as specified in the applicable Pricing Supplement;

(B) the Designated Maturity, if applicable, is a period specified in the applicable Pricing Supplement;

(C) the relevant Reset Date is the day specified in the applicable Pricing Supplement; and

(D) if the Floating Rate Option is an Overnight Floating Rate Option, the Overnight Rate Compounding Method is one of the following as specified in the applicable Pricing Supplement:

(a) Compounding with Lookback;

(b) Compounding with Observation Period Shift;

(c) Compounding with Lockout; or

(d) IOS Compounding.

In connection with the Overnight Rate Compounding Method, references in the ISDA Definitions to numbers or other items specified in the relevant confirmation shall be deemed to be references to the numbers or other items specified for such purpose in the applicable Pricing Supplement.

For the purposes of this subparagraph (ii **Floating Rate**, **Floating Rate Option**, **Designated Maturity**, **Reset Date**, **Overnight Floating Rate Option**, **Overnight Rate Compounding Method**, **Compounding with Lookback**, **Compounding with Observation Period Shift**, **Compounding with Lockout** and **OIS Compounding** have the meanings given to those terms in the ISDA Definitions.

Where this sub-paragraph (iii) applies, in respect of each relevant Interest Period, the Agent will be deemed to have discharged its obligations under sub-paragraph (iv) below in respect of the determination of the Rate of Interest if it has determined the Rate of Interest in respect of such Interest Period in the manner provided in this sub-paragraph (iii).

(iv) *Screen Rate Determination for Floating Rate Notes*

Where Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be either:

(A) the offered quotation (if there is only one quotation on the Relevant Screen Page); or

(B) the arithmetic mean (rounded if necessary to the fourth decimal place, with 0.00005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum), for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page (or such replacement page on that service which displays the information) as at the Specified Time on the Interest Determination Date in question plus or minus (as indicated in the applicable Pricing Supplement) the Margin (if any), all as determined by the Agent. If five or more such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, only one of such quotations) shall be disregarded by the Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

If the Relevant Screen Page is not available or if, in the case of (A) above, no such quotation appears or, in the case of (B) above, fewer than three such offered quotations appear, in each case as at the Specified Time,

(i) the Issuer shall request; or

(ii) the Agent or other person specified in the applicable Pricing Supplement as the party responsible for calculating the Rate(s) of Interest and Interest Amount(s) shall request,

if the Reference Rate is EURIBOR, the principal Eurozone office of each of the Reference Banks, to provide the Issuer or the Agent (as the case may be) with its offered quotation (expressed as a percentage rate per annum) for deposits in the Specified Currency for the relevant Interest Period, if the Reference Rate is EURIBOR, to leading banks in the Euro zone inter-bank market as at 11.00 a.m. (Brussels time), on the Interest Determination Date in question. If two or more of the Reference Banks provide the Issuer or the Agent (as the case may be) with offered quotations, the Rate of Interest for the Interest Period shall be the arithmetic mean (rounded if necessary to the fourth decimal place, with 0.00005 being rounded upwards) of the offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Issuer or the Agent (as the case may be).

If on any Interest Determination Date one only or none of the Reference Banks provides the Issuer or the Agent (as the case may be) with an offered quotation as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Issuer or the Agent (as the case may be) determines as being the arithmetic mean (rounded if necessary to the fourth decimal place, with 0.00005 being rounded upwards) of the rates, as communicated to (and at the request of) the Issuer or the Agent (as the case may be) by the Reference Banks or any two or more of them, at which such banks were offered, at approximately the Specified Time on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in the Euro-zone inter-bank market (if the Reference Rate is EURIBOR) plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the Issuer or the Agent (as the case may be) with offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, at approximately the Specified Time on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for the purpose) informs the Agent it is quoting to leading banks in the Euro-zone inter-bank market (if the Reference Rate is EURIBOR) plus or minus (as appropriate) the Margin (if any), provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period).

For the purposes of this Condition 5(c)(iv):

“Reference Banks” means, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone interbank market, in each case selected by the Issuer or the Agent (as the case may be).

“Reference Rate” means, unless otherwise specified in the Pricing Supplement, the Euro-zone interbank offered rate (“EURIBOR”).

“Relevant Financial Centre” means the financial centre specified as such in the Pricing Supplement or if none is so specified in the case of a determination of EURIBOR, Brussels.

"Specified Time" means the time specified as such in the Pricing Supplement or if none is so specified in the case of a determination of EURIBOR, 11.00 a.m., in each case in the Relevant Financial Centre.

(v) *Minimum and/or Maximum Rate of Interest*

If the applicable Pricing Supplement specifies a Minimum Rate of Interest for any Interest Period then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the above provisions is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest. If the applicable Pricing Supplement specifies a Maximum Rate of Interest for any Interest Period then, in the event that the Rate of Interest in respect of any such Interest Period determined in accordance with the above provisions is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

Unless otherwise stated in the applicable Pricing Supplement the Minimum Rate of Interest shall be deemed to be zero.

(vi) *Determination of Rate of Interest and Calculation of Interest Amount*

The Agent will, at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period.

The Agent will calculate the amount of interest (the "Interest Amount") payable on the Floating Rate Notes for the relevant Interest Period by applying the Rate of Interest to:

(A) in the case of Floating Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Notes represented by such Global Note; or

(B) in the case of Floating Rate Notes in definitive form, the Calculation Amount,

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest cent (or its approximate equivalent sub-unit of the relevant Specified Currency, half of any sub-unit being rounded upwards or otherwise in accordance with applicable market convention). Where the Specified Denomination of a Floating Rate Note in definitive form is a multiple of the Calculation Amount, the Interest Amount payable in respect of such Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination without any further rounding.

"Day Count Fraction" means, in respect of the calculation of an amount of interest for any Interest Period:

(a) if "Actual/Actual (ISDA)" or "Actual/Actual" is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);

(b) if "Actual/365 Fixed" is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 365;

(c) if "Actual/365 (Sterling)" is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;

(d) if "Actual/360" is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 360;

(e) if "30/360", "360/360" or "Bond Basis" is specified in the applicable Pricing Supplement, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y_1" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M_2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D_1" is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case D_1 will be 30; and

"D_2" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D_1 is greater than 29, in which case D_2 will be 30;

(f) if "30E/360" or "Eurobond Basis" is specified in the applicable Pricing Supplement, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y_1" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M_2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D_1" is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D_1 will be 30; and

"D_2" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case D_2 will be 30;

(g) if "30E/360 (ISDA)" is specified in the applicable Pricing Supplement, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2-Y_1)]+[30 \times M_2-M_1]+(D_2-D_1)}{360}$$

where:

"Y_1" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M_2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D_1" is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D_1 will be 30; and

"D_2" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D_2 will be 30.

(vii) *Linear Interpolation*

Where Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Pricing Supplement, the Rate of Interest for such Interest Period shall be calculated by the Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified as applicable in the applicable Pricing Supplement) or the relevant Floating Rate Option (where ISDA Determination is specified as applicable in the applicable Pricing Supplement), one of which shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period, provided however that if there is no rate available for a period of time next shorter or, as the case may

be, next longer, then the Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

"Designated Maturity" means, in relation to Screen Rate Determination, the period of time designated in the Reference Rate.

(viii) *Notification of Rate of Interest and Interest Amount*

The Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer and to any stock exchange on which the relevant Floating Rate Notes are for the time being listed, and notice thereof to be published in accordance with Condition 15 as soon as possible after their determination but in no event later than the fourth London Business Day thereafter (or where the relevant Floating Rate Notes are listed on the Luxembourg Stock Exchange, by no later that the first day of the relevant Interest Period). Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment). Any such amendment will be promptly notified to each stock exchange on which the relevant Floating Rate Notes are for the time being listed and to the Noteholders in accordance with Condition 15. For the purposes of this paragraph, the expression "London Business Day" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in London.

(ix) *Certificates to be final*

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 5(c) shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Agent, the Calculation Agent (if applicable), the other Paying Agents and all Noteholders and Couponholders and (in the absence as aforesaid) no liability to the Issuer, the Noteholders or the Couponholders shall attach to the Agent or the Calculation Agent (if applicable) in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(d) *Benchmark Replacement*

If:

(1) the Reset Note provisions are specified as being applicable in the applicable Pricing Supplement and the Reset Reference Rate is specified as Mid-Swap Rate in the applicable Pricing Supplement; or

(2) the Floating Rate Note provisions are specified as being applicable in the applicable Pricing Supplement and Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined,

and, in each case, if Benchmark Replacement is also specified as being applicable in the applicable Pricing Supplement, then the provisions of this Condition 5(d) shall apply.

If, notwithstanding the provisions of Condition 5(b) or Condition 5(c), as applicable, the Issuer determines that a Benchmark Event has occurred when any Rate of Interest (or component thereof) remains to be determined by reference to an Original Reference Rate, then the following provisions shall apply to the relevant Series of Notes:

(A) the Issuer shall use reasonable endeavours, as soon as reasonably practicable, to appoint an Independent Adviser to determine:

(a) a Successor Reference Rate; or

(b) if such Independent Adviser fails so to determine a Successor Reference Rate, an Alternative Reference Rate,

and, in each case, an Adjustment Spread (in any such case, acting in good faith and in a commercially reasonable manner) no later than the relevant IA Determination Cut-off Date for the purposes of determining the Rate of Interest (or the relevant component part thereof) for all relevant future payments of interest on the Notes for which the Rate of Interest (or the relevant component part thereof) was otherwise to be determined by references to such Original Reference Rate (subject to the subsequent operation of, and adjustment as provided in, this Condition 5(d) in the event of a further Benchmark Event occurring in respect of either the Successor Reference Rate of Alternative Reference Rate (as applicable));

(B) if the Issuer is unable to appoint an Independent Adviser, or the Independent Adviser appointed by the Issuer fails to determine a Successor Reference Rate or an Alternative Reference Rate (as applicable) prior to the relevant IA Determination Cut-off Date, the Issuer (acting in good faith and in a commercially reasonable manner) may determine:

(a) a Successor Reference Rate; or

(b) if the Issuer fails so to determine a Successor Reference Rate, an Alternative Reference Rate,

and, in each case, an Adjustment Spread no later than the Issuer Determination Cut-off Date, for the purposes of determining the Rate of Interest (or the relevant component part thereof) for all relevant future payments of interest on the Notes for which the Rate of Interest (or the relevant component part thereof) was otherwise to be determined by reference to such Original Reference Rate (subject to the subsequent operation of, and adjustment as provided in, this Condition 5(d)). Without prejudice to the definitions thereof, for the purposes of determining any Alternative Reference Rate and the relevant Adjustment Spread, the Issuer will take into account any relevant and applicable market precedents as well as any published guidance from relevant associations involved in the establishment of market standards and/or protocols in the international debt capital markets;

(C) if a Successor Reference Rate or, failing which, an Alternative Reference Rate (as applicable) and, in either case, an Adjustment Spread is determined by the relevant Independent Adviser or the Issuer (as applicable) in accordance with this Condition 5(d):

(a) such Successor Reference Rate or Alternative Reference Rate (as applicable) shall subsequently be used in place of the relevant Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all relevant future payments of interest on the Notes for which the Rate of Interest (or the relevant component part thereof) was otherwise to be determined by reference to the

relevant Original Reference Rate (subject to the subsequent operation of, and adjustment as provided in, this Condition 5(d));

(b) such Adjustment Spread shall be applied to such Successor Reference Rate or Alternative Reference Rate (as the case may be) for all such relevant future payments of interest on the Notes (subject to the subsequent operation of, and adjustment as provided in, this Condition 5(d)); and

(c) the relevant Independent Adviser or the Issuer (as applicable) (acting in good faith and in a commercially reasonable manner) may in its discretion specify:

(i) changes to these Conditions in order to follow market practice in relation to such Successor Reference Rate or Alternative Reference Rate (as applicable), including, but not limited to, (1) the Additional Business Centre(s), the Benchmark Frequency, the Business Centre(s), the definition of "Business Day", the Business Day Convention, the Day Count Fraction, the Determination Date(s), the Interest Determination Date(s), the Mid-Swap Floating Leg Frequency, the definition of "Reference Banks" or "Reset Reference Banks" (as applicable), the Relevant Screen Page, the Reset Determination Date, the Reset Reference Rate and/or the Specified Period(s)/Specified Interest Payment Dates applicable to the Notes and (2) the method for determining the fallback to the Rate of Interest in relation to the Notes if such Successor Reference Rate or Alternative Reference Rate (as applicable) is not available; and

(ii) any other changes which the relevant Independent Adviser or the Issuer (as applicable) determines are reasonably necessary to ensure the proper operation and comparability to the relevant Original Reference Rate of such Successor Reference Rate or Alternative Reference Rate (as applicable),

which changes shall apply to the Notes for all relevant future payments of interest on the Notes for which the Rate of Interest (or the relevant component part thereof) was otherwise to be determined by reference to the relevant Original Reference Rate (subject to the subsequent operation of, and adjustment as provided in, this Condition 5(d)); and

(d) promptly (but in all cases without prejudice to the provisions contained in the paragraph immediately following (D) below and the requirement to provide notice no later than the next Issuer Determination Cut-off Date) following the determination of any Successor Reference Rate or Alternative Reference Rate (as applicable) and the relevant Adjustment Spread, the Issuer shall give notice thereof and of any changes to these Conditions (and the effective date thereof) pursuant to Condition 5(d)(C)(c) to the Agent, the Calculation Agent (if any), the other Paying Agents and the Noteholders in accordance with Condition 15; and

(D) The Agent and any other agents party to the Agency Agreement shall, at the direction and expense of the Issuer, effect such consequential amendments to the Agency Agreement and these Conditions as may be required in order to give effect to the application of this Condition 5(d). No consent of the

Noteholders shall be required in connection with effecting the relevant Successor Reference Rate or Alternative Reference Rate (as applicable) and, in either case, the relevant Adjustment Spread as described in this Condition 5(d) or such other relevant changes pursuant to Condition 5(d)(C)(c), including for the execution of any documents or the taking of other steps by the Issuer or any of the parties to the Agency Agreement.

If a Successor Reference Rate or an Alternative Reference Rate and/or, in either case, an Adjustment Spread or any changes to these Conditions pursuant to Condition 5(d)(C)(c) is not determined pursuant to the operation of this Condition 5(d) and notified to the Agent, the Calculation Agent (if any), the other Paying Agents and the Noteholders in accordance with Condition 15 prior to the relevant Issuer Determination Cut-off Date, then the Rate of Interest for the next relevant Interest Period (in the case of Floating Rate Notes) or Reset Period (in the case of Reset Notes) shall be determined by reference to the fallback provisions of Condition 5(b) or 5(c), as the case may be. For the avoidance of doubt, this paragraph shall apply to the relevant next succeeding Interest Period (in the case of Floating Rate Notes) or Reset Period (in the case of Reset Notes) only and any subsequent Interest Periods or Reset Periods (as applicable) are subject to the operation or subsequent operation of, and to adjustment as provided in, this Condition 5(d).

Notwithstanding any other provision of this Condition 5(d), none of the Agent, the Calculation Agent (if any) nor the other Paying Agents shall be obliged to concur with the Issuer or the Independent Adviser in respect of any changes or amendments as contemplated under this Condition 5(d) which, in the sole opinion of the Agent, the Calculation Agent or the relevant Paying Agent (as applicable) would have the effect of (i) exposing the Agent, the Calculation Agent or the relevant Paying Agent (as applicable) to any liability against which it has not been indemnified and/or secured and/or prefunded to its satisfaction or (ii) increasing the obligations or duties, or decreasing the rights or protections, of the Agent, the Calculation Agent or the relevant Paying Agent (as applicable)in the Agency Agreement and/or these Conditions.

Notwithstanding any other provision of this Condition 5(d), if in the Agent's, the Calculation Agent's (if any) or a Paying Agent's opinion there is any uncertainty in making any determination or calculation under this Condition 5(d), the Agent, the Calculation Agent or the relevant Paying Agent (as applicable) shall promptly notify the Issuer and/or the Independent Adviser thereof and the Issuer shall direct the Agent, the Calculation Agent or the relevant Paying Agent (as applicable) in writing as to which course of action to adopt. If the Agent, the Calculation Agent or the relevant Paying Agent (as applicable) is not promptly provided with such direction, or is otherwise unable to make such calculation or determination for any reason, it shall promptly notify the Issuer and/or the Independent Adviser (as the case may be) thereof and the Agent, the Calculation Agent or the relevant Paying Agent (as applicable) shall be under no obligation to make such calculation or determination and shall not incur any liability for not doing so.

For the avoidance of doubt, none of the Agent, the Calculation Agent (if any) nor any Paying Agent shall be obliged to monitor or enquire as to whether a Benchmark Event has occurred or have any liability in respect thereto.

Notwithstanding any other provision of this Condition 5(d) no Successor Reference Rate or Alternative Reference Rate (as applicable) will be adopted, and no other amendments to the terms of the Notes will be made pursuant to this Condition 5(d), if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to:

(x) prejudice the qualification of the Notes as (a) in the case of Tier 2 Notes, Tier 2 Capital of the Issuer and/or the Group and/or MREL-Eligible Liabilities and (b) in the case of Senior Non-Preferred Notes or Senior Preferred Notes, MREL-Eligible Liabilities; and/or

(y) in the case of Tier 2 Notes, Senior Non-Preferred Notes and Senior Preferred Notes only, result in the Relevant Regulator and/or the Relevant Resolution Authority (as defined below and as applicable) treating the next Interest Payment Date or Reset Date, as the case may be, as the effective maturity of the Notes, rather than the relevant Maturity Date,

in such case the Rate of Interest for the next relevant Interest Period (in the case of Floating Rate Notes) or Reset Period (in the case of Reset Notes) shall be determined by reference to the fallback provisions of Condition 5(b) or 5(c), as the case may be.

"MREL-Eligible Liabilities" means "eligible liabilities" (or any equivalent or successor term) which are available to meet the Issuer's and/or the Group's (as applicable) minimum requirements for own funds and eligible liabilities under the applicable MREL Requirements.

(e) *Accrual of Interest*

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the due date for its redemption unless payment of principal is improperly withheld or refused. In such event, interest will continue to accrue thereon (as well after as before any demand or judgment) at the rate then applicable to the principal amount of the Notes or such other rate as may be specified in the applicable Pricing Supplement until whichever is the earlier of (1) the date on which all amounts due in respect of such Note have been paid, and (2) the date on which, the Agent having received the funds required to make such payment, notice is given to the Noteholders in accordance with Condition 15 of that circumstance (except to the extent that there is failure in the subsequent payment thereof to the relevant Noteholder).

(f) *Definitions*

"Adjustment Spread" means either (a) a spread (which may be positive, negative or zero) or (b) a formula or methodology for calculating a spread, in either case which is to be applied to the relevant Successor Reference Rate or Alternative Reference Rate (as applicable) and is the spread, formula or methodology which:

(A) in the case of a Successor Reference Rate, is formally recommended in relation to the replacement of the relevant Original Reference Rate with the relevant Successor Reference Rate by any Relevant Nominating Body; or

(B) in the case of an Alternative Reference Rate or (where (A) above does not apply) in the case of a Successor Reference Rate, the relevant Independent Adviser or the Issuer (as applicable) determines is recognised or acknowledged as being in customary market usage in international debt capital markets transactions which reference the relevant Original Reference Rate, where such rate has been replaced by such Successor Reference Rate or such Alternative Reference Rate (as applicable); or

(C) in the case of an Alternative Reference Rate (where (B) above does not apply) or in the case of a Successor Reference Rate (where neither (A) nor (B) above

applies), the relevant Independent Adviser or the Issuer (as applicable) determines is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by such Alternative Reference Rate or such Successor Reference Rate (as applicable).

If the relevant Independent Adviser or the Issuer (as applicable) determines that none of (A), (B) and (C) above applies, the Adjustment Spread shall be deemed to be zero.

"Alternative Reference Rate" means the rate that the relevant Independent Adviser or the Issuer (as applicable) determines has replaced the relevant Original Reference Rate in customary market usage in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) in respect of debt securities denominated in the Specified Currency and of a comparable duration:

(A) in the case of Floating Rate Notes, to the relevant Interest Periods; or

(B) in the case of Reset Notes, to the relevant Reset Periods,

or in any case, if such Independent Adviser or the Issuer (as applicable) determines that there is no such rate, such other rate as such Independent Adviser or the Issuer (as applicable) determines in its discretion is most comparable to the relevant Original Reference Rate.

"Benchmark Event" means, with respect to an Original Reference Rate:

(A) such Original Reference Rate ceasing to be published for at least five Business Days or ceasing to exist or be administered; or

(B) the later of (1) the making of a public statement by the administrator of such Original Reference Rate that it will, on or before a specified date, cease publishing such Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of such Original Reference Rate) and (2) the date falling six months prior to the specified date referred to in (B)(1); or

(C) the making of a public statement by the supervisor of the administrator of such Original Reference Rate that such Original Reference Rate has been permanently or indefinitely discontinued; or

(D) the later of (1) the making of a public statement by the supervisor of the administrator of such Original Reference Rate that such Original Reference Rate will, on or before a specified date, be permanently or indefinitely discontinued and (2) the date falling six months prior to the specified date referred to in (D)(1); or

(E) the later of (1) the making of a public statement by the supervisor of the administrator of such Original Reference Rate that means such Original Reference Rate will be prohibited from being used on or before a specified date and (2) the date falling six months prior to the specified date referred to in (E)(1); or

(F) it has or will prior to the next Interest Determination Date or Reset Determination Date (as applicable) become unlawful for the Issuer, the Agent, the Calculation Agent (if any) or any other party specified in the applicable

Pricing Supplement as being responsible for calculating the Rate of Interest to calculate any payments due to be made to any Noteholders using such Original Reference Rate; or

(G) the later of (1) the making of a public statement by the supervisor of the administrator of such Original Reference Rate announcing that such Original Reference Rate is or will, on or before a specified date, be no longer representative or may no longer be used and (2) the date falling six months prior to the specified date referred to in (G)(1).

"IA Determination Cut-off Date" means:

(A) in the case of Floating Rate Notes, in any Interest Period, the date that falls on the seventh Business Day prior to the Interest Determination Date relating to the next succeeding Interest Period; or

(B) in the case of Reset Notes, in any Reset Period, the date that falls on the seventh Business Day prior to the Reset Determination Date relating to the next succeeding Reset Period.

"Independent Adviser" means an independent financial institution of international repute or other independent financial adviser experienced in the international debt capital markets, in each case appointed by the Issuer at its own expense.

"Issuer Determination Cut-off Date" means:

(A) in the case of Floating Rate Notes, in any Interest Period, the date that falls on the fifth Business Day prior to the Interest Determination Date relating to the next succeeding Interest Period; or

(B) in the case of Reset Notes, in any Reset Period, the date that falls on the fifth Business Day prior to the Reset Determination Date relating to the next succeeding Reset Period.

"Original Reference Rate" means the originally-specified reference rate of the Notes used to determine the relevant Rate of Interest (or any component part thereof) in respect of any Interest Period(s) or Reset Period(s) (provided that if, following one or more Benchmark Events, such originally specified reference rate of the Notes (or any Successor Reference Rate or Alternative Reference Rate which has replaced it) has been replaced by a (or a further) Successor Reference Rate or Alternative Reference Rate and a Benchmark Event subsequently occurs in respect of such Successor Reference Rate or Alternative Reference Rate, the term "Original Reference Rate" shall include any such Successor Reference Rate or Alternative Reference Rate).

"Relevant Nominating Body" means, in respect of an Original Reference Rate:

(A) the central bank for the currency to which such Original Reference Rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of such Original Reference Rate; or

(B) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (1) the central bank for the currency to which such Original Reference Rate relates, (2) any central bank or other supervisory authority which is responsible for supervising the administrator of such Original Reference Rate, (3) a group of the aforementioned central banks or

other supervisory authorities, or (4) the Financial Stability Board or any part thereof.

"Successor Reference Rate" means the rate that the relevant Independent Adviser or the Issuer (as applicable) determines is a successor to or replacement of the relevant Original Reference Rate which is formally recommended by any Relevant Nominating Body.

6. REDEMPTION AND PURCHASE; SUBSTITUTION AND VARIATION

(a) *Redemption at Maturity*

Unless previously redeemed or purchased and cancelled as specified below or (pursuant to Condition 6(m)) substituted, each Note will be redeemed by the Issuer at its Final Redemption Amount specified in the applicable Pricing Supplement in the relevant Specified Currency on the Maturity Date specified in the applicable Pricing Supplement.

(b) *Redemption for Tax Reasons*

If as a result of any amendment to or change in the laws or regulations of the jurisdiction of incorporation of the Issuer or any political subdivision thereof or any authority or agency therein or thereof having power to tax or in the interpretation or administration of any such laws or regulations which amendment or change becomes effective on or after the Issue Date of the most recent tranche of the relevant Series of Notes:

(i) the Issuer would be required to pay additional amounts as provided in Condition 10; or

(ii) (in the case of Tier 2 Notes only) interest payments under or with respect to the Tier 2 Notes are no longer (partly or fully) deductible for tax purposes in the jurisdiction of the incorporation of the Issuer,

the Issuer may, (subject, (i) in the case of Senior Preferred Notes and Senior Non-Preferred Notes, to Condition 6(k) and (ii) in the case of Tier 2 Notes, to Condition 6(k) and/or Condition 6(l) (as applicable)), at its option and having given not less than the minimum period and not more than maximum period of notice specified in the applicable Pricing Supplement (ending, in the case of Notes which bear interest at a floating rate, on any Interest Payment Date) to the Agent and to the Noteholders Agent and, in accordance with Condition 15, the Noteholders (which notice shall be irrevocable), redeem all (but not some only) of the outstanding Notes at their Early Redemption Amount as may be specified in the applicable Pricing Supplement together (if applicable) with interest accrued to (but excluding) the date of redemption **provided that** in case of redemption pursuant to sub-paragraph (i) above, no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due. Upon the expiry of such notice, the Issuer shall be bound to redeem the Notes accordingly.

In the case of Tier 2 Notes only, any redemption of the Notes in accordance with this Condition 6(b) is subject, in each case, to the Issuer demonstrating to the satisfaction of the Relevant Regulator and/or the Relevant Resolution Authority (as applicable) that such change in tax treatment of such Notes is material and was not reasonably foreseeable at the time of their issuance.

In the case of Senior Preferred Liquidity Notes, the Issuer may not exercise such option in respect of any Note which is the subject of the prior exercise by the holder thereof of its option to require the redemption of such Note under Condition 6(f).

(c) *Redemption following the occurrence of a Capital Disqualification Event*

This Condition 6(c) is applicable only in relation to Notes specified in the applicable Pricing Supplement as being Tier 2 Notes and references to "Notes" and "Noteholders" shall be construed accordingly.

Where this Condition 6(c) is specified as being applicable in the Pricing Supplement, if immediately prior to the giving of the notice referred to below, the Issuer determines that a Capital Disqualification Event has occurred and is continuing, the Issuer may (subject to Condition 6(k) and/or Condition 6(l) (as applicable)), at its option and having given no less than the minimum period and not more than the maximum period of notice specified in the applicable Pricing Supplement (ending, in the case of Notes which bear interest at a floating rate, on any Interest Payment Date) to the Agent and to the Noteholders Agent and, in accordance with Condition 15, the Noteholders (which notice shall be irrevocable), redeem all (but not some only) of the outstanding Notes at their Early Redemption Amount as may be specified in the applicable Pricing Supplement together (if applicable) with interest accrued to (but excluding) the date of redemption. Upon the expiry of such notice, the Issuer shall be bound to redeem the Notes accordingly.

In these Conditions:

"BRRD" means Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms, as amended by Directive (EU) 2019/879 as regards the loss-absorbing and recapitalisation capacity of credit and investment firms and Directive 98/26/EC, and as may be further amended or replaced from time to time;

a "Capital Disqualification Event" will occur if at any time, on or after the Issue Date of the most recent tranche of the relevant Series of Notes, there is a change in the regulatory classification of such Notes that results or would be likely to result in (i) the exclusion of such Notes in whole or, to the extent not prohibited by the Capital Regulations, in part from the Tier 2 Capital of Issuer and/or the Group; and/or (ii) their reclassification, in whole or, to the extent not prohibited by the Capital Regulations, in part, as a lower quality form of regulatory capital of the Issuer and/or the Group, in each case other than where such exclusion or reclassification is only the result of any applicable limitation on such capital and provided (x) the Relevant Regulator considers that such change in the regulatory classification of such Notes is sufficiently certain and (y) the Issuer demonstrates to the satisfaction of the Relevant Regulator that such change in the regulatory reclassification of such Notes was not reasonably foreseeable at the time of their issuance;

"Capital Regulations" means at any time the laws, regulations, requirements, guidelines and policies relating to capital adequacy, resolution and/or solvency applicable to the Issuer and/or the Group at such time including, without limitation to the generality of the foregoing, the BRRD, CRD IV and those regulations, requirements, guidelines and policies of the Relevant Regulator relating to capital adequacy, resolution and/or solvency then in effect in the Hellenic Republic (whether or not such requirements, guidelines or policies have the force of law and whether or not they are applied generally or specifically to the Issuer and/or the Group);

"CRD IV" means any or any combination of the CRD IV Directive, the CRR and any CRD IV Implementing Measures, all as amended or supplemented;

"CRD IV Directive" means Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013, as amended by Directive (EU) 2019/878 of 20 May 2019 and as may be further amended or replaced from time to time;

"CRD IV Implementing Measures" means any regulatory capital rules implementing the CRD IV Directive or the CRR which may from time to time be introduced, including, but not limited to, delegated or implementing acts (regulatory technical standards) adopted by the European Commission, national laws and regulations, and regulations and guidelines issued by the Relevant Regulator, the European Banking Authority or any other relevant authority, which are applicable to the Issuer or the Group and which prescribe the requirements to be fulfilled by financial instruments for inclusion in the regulatory capital of the Issuer or the Group; and

"CRR" means Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on the prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012, as amended by Regulation (EU) 2019/876 of 20 May 2019 as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements, and as may be further amended or replaced from time to time;

"Group" means PFH and its subsidiaries and subsidiary undertakings from time to time;

"Relevant Regulator" means the European Central Bank or such other body or authority having primary supervisory authority or resolution authority with respect to the Issuer and/or the Group; and

"Tier 2 Capital" has the meaning given in the Capital Regulations from time to time.

(d) *Redemption following the occurrence of an MREL Disqualification Event*

This Condition 6(d) is applicable only in relation to Notes which are specified in the applicable Pricing Supplement as being Senior Non-Preferred Notes, Senior Preferred Notes or Tier 2 Notes and references to "Notes" and "Noteholders" shall be construed accordingly.

Where this Condition 6(d) is specified as being applicable in the applicable Pricing Supplement, if immediately prior to the giving of the notice referred to below, the Issuer determines that an MREL Disqualification Event has occurred and is continuing, the Issuer may from (and including the MREL Disqualifcation Event Effective Date) (subject to (i) in the case of Senior Non-Preferred Notes and Senior Prefered Notes) Condition 6(k) and (ii) in the case of Tier 2 Notes, Condition 6(k) and/or Condition 6(l) (as applicable)) at its option and having given no less than the minimum period and not more than the maximum period of notice specified in the applicable Pricing Supplement (ending, in the case of Notes which bear interest at a floating rate, on any Interest Payment Date) to the Agent and to the Noteholders Agent and, in accordance with Condition 15, the Noteholders (which notice shall be irrevocable), redeem all (but not some only) of the outstanding Notes at their Early Redemption Amount as may be specified in the applicable Pricing Supplement together (if applicable) with interest accrued to (but excluding) the date of redemption.

Upon the expiry of such notice, the Issuer shall be bound to redeem the Notes accordingly.

In these Conditions:

An "MREL Disqualification Event" shall be deemed to occur if, at any time from (and including) the MREL Disqualification Event Effective Date, all or part of the aggregate outstanding principal amount of such Series of Notes is, or (in the opinion of the Issuer, the Relevant Regulator and/or the Relevant Resolution Authority (as defined in Condition 18 below)) is likely to be, excluded fully or partially from the MREL-Eligible Liabilities; provided that an MREL Disqualification Event shall not occur where (a) the exclusion of such Series of Notes from the MREL-Eligible Liabilities is due to (i) the remaining maturity of the Notes being less than any period prescribed thereunder, or (ii) the Notes being bought back by or on behalf of the Issuer or any of its Subsidiaries or (b) in the case of Senior Preferred Notes, the relevant exclusion from the MREL-Eligible Liabilities is as a result of any applicable limitation on the amount of liabilities that may qualify as own funds and eligible liabilities of the Issuer or the Group.

"MREL Disqualification Event Effective Date" means (i) in the case of Senior Preferred Notes and Senior Non-Preferred Notes, the Issue Date of the first Tranche of the Instruments and (ii) in the case of Tier 2 Notes, the date specified in the applicable Pricing Supplement or such earlier date as may be permitted under the MREL Requirements and Capital Regulations (in each case as applicable) from time to time.

"MREL Requirements" means, at any time, the laws, regulations, requirements, guidelines, rules, standards and policies relating to minimum requirements for own funds and eligible liabilities and/or loss-absorbing capacity instruments applicable to the Issuer and/or the Group at such time, including, without limitation to the generality of the foregoing, any delegated or implementing acts (such as regulatory technical standards) adopted by the European Commission and any regulations, requirements, guidelines, rules, standards and policies relating to minimum requirements for own funds and eligible liabilities and/or loss absorbing capacity instruments adopted by the Hellenic Republic, the Relevant Regulator or the Relevant Resolution Authority from time to time (whether or not such requirements, guidelines or policies are applied generally or specifically to the Issuer and/or the Group), as any of the preceding laws, regulations, requirements, guidelines, rules, standards, policies or interpretations may be amended, supplemented, superseded or replaced from time to time.

(e) *Redemption at the Option of the Issuer (Issuer Call)*

If Issuer Call is specified as being applicable in the applicable Pricing Supplement, the Issuer may, (subject, (i) in the case of Senior Preferred Notes and Senior Non-Preferred Notes, to Condition 6(k) and (ii) in the case of Tier 2 Notes, to Condition 6(k) and/or Condition 6(l) (as applicable)), having (unless otherwise specified in the applicable Pricing Supplement) given not less than the minimum period and not more than the maximum period of notice specified in the applicable Pricing Supplement to the Agent and to the Noteholders Agent and, in accordance with Condition 15, the Noteholders (which notice shall be irrevocable), redeem all or some only of the Notes then outstanding on any Optional Redemption Date and at the Optional Redemption Amount(s) specified in the applicable Pricing Supplement together, if applicable, with interest accrued to (but excluding) the relevant Optional Redemption Date. Upon the expiry of such notice, the Issuer shall be bound to redeem the Notes accordingly.

In the event of a redemption of some only of the Notes, such redemption must be of a nominal amount being not less than the Minimum Redemption Amount and not more

than the Maximum Redemption Amount, both as indicated in the applicable Pricing Supplement. In the case of a partial redemption of definitive Notes, the Notes to be redeemed will be selected individually by not more than 30 days prior to the date fixed for redemption and a list of the Notes called for redemption will be published in accordance with Condition 15 not less than 15 days prior to such date. In the case of a partial redemption of Notes which are represented by a global Note, the relevant Notes will be selected in accordance with the rules of Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion).

(f) *Redemption at the Option of the Noteholders (Investor Put)*

This Condition 6(f) is applicable only in relation to Notes specified in the applicable Pricing Supplement as being Senior Preferred Liquidity Notes and references to "Notes" and "Noteholders" shall be construed accordingly.

If Investor Put is specified as being applicable in the applicable Pricing Supplement, upon any Noteholder giving to the Issuer in accordance with Condition 15 not less than the minimum period and not more than maximum period of notice specified in the applicable Pricing Supplement (which notice shall be irrevocable), the Issuer will, upon the expiry of such notice, redeem subject to, and in accordance with, the terms specified in the applicable Pricing Supplement such Note on the Optional Redemption Date and at the Optional Redemption Amount specified in the applicable Pricing Supplement together, if applicable, with interest accrued to (but excluding) the relevant Optional Redemption Date.

If this Note is in definitive form, to exercise any right to require redemption of this Note the holder of this Note must deliver such Note at the specified office of any Paying Agent at any time during normal business hours of such Paying Agent falling within the notice period, accompanied by a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent (a "Put Notice") and in which the holder must specify a bank account to which payment is to be made under this Condition 6(f).

Any Put Notice given by a holder of any Note pursuant to this Condition 6(f) shall be irrevocable except where prior to the due date of repayment an Event of Default or a Restricted Event of Default (as applicable) shall have occurred and be continuing in which event such holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this Condition 6(f). In addition, the holder of a Note may not exercise such option in respect of any Notes which are the subject of an exercise by the Issuer of its option to redeem such Notes under either Condition 6(b) or Condition 6(e).

(g) *Early Redemption Amounts*

For the purposes of Conditions 6(b), 6(c), 6(d) and Condition 11:

(i) each Note (other than a Zero Coupon Note) will be redeemed at its Early Redemption Amount; and

(ii) each Zero Coupon Note will be redeemed at an amount (the "Amortised Face Amount") calculated in accordance with the following formula:

$$\text{Early Redemption Amount} = RP \times (1+AY)^{Y}$$

where:

RP means the Reference Price;

AY means the Accrual Yield expressed as a decimal; and

Y is the Day Count Fraction specified in the applicable Pricing Supplement which will be either (i) 30/360 (in which case the numerator will be equal to the number of days (calculated on the basis of a 360-day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360) or (ii) Actual/360 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360) or (iii) Actual/365 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 365).

(h) *Purchases*

The Issuer or any Subsidiary (as defined in the Agency Agreement) of the Issuer may (subject (i) in the case of Senior Preferred Notes and Senior Non-Preferred Notes, to Condition 6(k) and (ii) in the case of Tier 2 Notes, to Condition 6(k) and/or Condition 6(l) (as applicable)), purchase Notes (together, in the case of definitive Notes, with all Coupons and Talons appertaining thereto) in any manner and at any price. Such Notes may be held, reissued, resold or, at the option of the Issuer surrendered to any Paying Agent for cancellation.

(i) *Cancellation*

All Notes which are redeemed in full or substituted will forthwith be cancelled (together with all unmatured Coupons and Talons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and the Notes which are purchased and cancelled pursuant to Condition 6(h) (together with all unmatured Coupons and Talons attached thereto or delivered therewith) shall be forwarded to the Agent and cannot be reissued or resold.

(j) *Late Payment on Zero Coupon Notes*

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to Condition 6(a), (b), (c), (d), (e) or (f) or upon its becoming due and repayable as provided in Condition 11 is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in Condition 6(g)(ii) as though the references therein to the date fixed for redemption or the date upon which the Zero Coupon Note becomes due and repayable were replaced by references to the date which is the earlier of:

(1) the date on which all amounts due in respect of the Zero Coupon Note have been paid; and

(2) the date on which the full amount of the moneys payable has been received by the Agent and notice to that effect has been given to the Noteholders in accordance with Condition 15.

(k) *Conditions to Substitution, Variation, Redemption and Purchase of Senior Preferred Notes and Senior Non-Preferred Notes*

This Condition 6(k) only applies to Senior Preferred Notes, Senior Non-Preferred Notes and Tier 2 Notes that are MREL-Eligible Liabilities and references in this Condition 6(k) to "Notes" and "Noteholders" shall be construed accordingly.

Any redemption or purchase of Notes in accordance with Condition 6(b), (d), (e) or (h) above is subject to:

(1) the Issuer giving notice to the Relevant Resolution Authority and the Relevant Resolution Authority granting prior permission to redeem or purchase the relevant Notes (in each case to the extent, and in the manner, then required by the MREL Requirements); and

(2) compliance by the Issuer with any alternative or additional pre-conditions to redemption or purchase, as applicable, set out in the MREL Requirements (including any requirements applicable to such redemption or purchase due to the qualification of such Notes at such time as eligible liabilities to meet the MREL Requirements).

To the extent required by the MREL Requirements (including any requirements applicable to the modification, substitution or variation of the Notes due to the qualification of the Notes at such time as MREL-Eligible Liabilities), any substitution or variation in accordance with Condition 6(m) or any modification (other than any modification which is made to correct a manifest error) of these Conditions, the Deed of Covenant or the Notes (as the case may be), or substitution of the Issuer as principal debtor under the Notes, the Deed of Covenant or the Agency Agreement, in each case pursuant to Condition 12 and/or Condition 16 (as the case may be), will only be permitted if the Issuer has first given notice to the Relevant Resolution Authority of such substitution, variation or modification (as the case may be), and the Relevant Resolution Authority has not objected to such substitution, variation or modification (as the case may be).

For the avoidance of doubt, the MREL Requirements currently include the requirements outlined in Articles 77 and 78A of the CRR.

(l) *Conditions to Substitution, Variation, Redemption and Purchase of Tier 2 Notes*

This Condition 6(l) only applies to Tier 2 Notes and references in this Condition 6(l) to "Notes" and "Noteholders" shall be construed accordingly.

Any redemption or purchase of Notes in accordance with Condition 6(b), (c), (e) or (h) above is subject to:

(1) the Issuer giving notice to the Relevant Regulator and the Relevant Regulator granting prior permission to redeem or purchase the relevant Notes (in each case to the extent, and in the manner, then required by the Capital Regulations); and

(2) compliance by the Issuer with any alternative or additional pre-conditions to redemption or purchase, as applicable, set out in the Capital Regulations.

To the extent required by the Capital Regulations, any substitution or variation in accordance with Condition 6(m) or any modification (other than any modification which is made to correct a manifest error) of these Conditions, the Deed of Covenant or the Notes (as the case may be), or substitution of the Issuer or as principal debtor under the Notes, the Deed of Covenant or the Agency Agreement (as the case may be), in each case pursuant to Condition 12 and/or Condition 16 (as the case may be), will only be permitted if the Issuer has first given notice to the Relevant Regulator of such substitution, variation or modification (as the case may be), and the Relevant Regulator has not objected to such substitution, variation or modification (as the case may be).

For the avoidance of doubt, the Capital Regulations currently include the requirements outlined in Articles 77 and 78 of the CRR.

(m) *Substitution and Variation*

If "Substitution and Variation" is specified as being applicable in the relevant Pricing Supplement, then with respect to:

(1) any Series of Senior Preferred Notes, Senior Non-Preferred Notes or Tier 2 Notes, if at any time an MREL Disqualification Event has occurred and is continuing; or

(2) any Series of Tier 2 Notes, if at any time a Capital Disqualification Event has occurred and is continuing; or

(3) any Series of Senior Preferred Liquidity Notes, Senior Preferred Notes, Senior Non-Preferred Notes or Tier 2 Notes, if at any time any of the events described in Condition 6(b) has occurred and is continuing or in order to ensure the effectiveness and enforceability of Condition 18,

the Issuer may, subject to, in the case of Senior Preferred Notes or Senior Non-Preferred Notes, compliance with Condition 6(k) and, in the case of Tier 2 Notes, compliance with Condition 6(k) and/or Condition 6(l) (as applicable) (without any requirement for the consent or approval of the holders of the relevant Notes of that Series) and having given not less than thirty nor more than sixty days' notice to the holders of the Notes of that Series, at any time either substitute all (but not some only) of such Notes, or vary the terms of such Notes (including, without limitation, changing the governing law of Condition 18) so that the Notes remain or, as appropriate, become Qualifying Notes, provided that such variation or substitution does not itself give rise to any right of the Issuer to redeem the varied or substituted Notes.

In connection with any substitution or variation in accordance with this Condition 6(m), the Issuer shall comply with the rules of any stock exchange on which such Notes are for the time being listed or admitted to trading.

In these Conditions:

"Rating Agency" means each of S&P Global Ratings, acting through S&P Global Ratings Europe Limited, Moody's Investors Service Cyprus Limited or Fitch Ratings Ireland Limited and each of their respective affiliates or successors; and

"Qualifying Notes" means securities that comply with the following:

(a) are issued by the Issuer or, in the case of Senior Preferred Liquidity Notes, any wholly owned direct or indirect subsidiary of the Issuer with an unsubordinated guarantee of such obligations by the Issuer;

(b) rank (or, if guaranteed by the Issuer, benefit from a guarantee that ranks) at least equally with the ranking of the relevant Notes;

(c) other than in the case of a change to the governing law of Condition 18 in order to ensure the effectiveness and enforceability of Condition 18, have terms not materially less favourable to Noteholders than the terms of the relevant Notes (as reasonably determined by the Issuer in consultation with an independent adviser of recognised standing);

(d) (without prejudice to (c) above) (1) (i) in the case of Senior Preferred Notes or Senior Non-Preferred Notes, contain terms which will result in such securities being MREL-Eligible Liabilities; or (ii) in the case of Tier 2 Notes, (A) if, immediately prior to such variation or substitution, the Notes qualify as Tier 2 Capital of the Issuer and/or the Group (as applicable), comply with the then-current requirements of the Capital Regulations in relation to Tier 2 Capital and/or (B) if, immediately prior to such variation of substitution, the Notes are MREL-Eligible Liabilities, contain terms which will result in such securities being MREL-Eligible Liabilities; (2) bear the same rate of interest from time to time applying to the relevant Notes and preserve the same Interest Payment Dates; (3) do not contain terms providing for deferral or cancellation of payments of interest and/or principal (but without prejudice to any acknowledgement of statutory resolution powers substantially similar to Condition 18); (4) preserve the obligations (including the obligations arising from the exercise of any right) of the Issuer as to redemption of the relevant Notes, including (without limitation) as to timing of, and amounts payable upon, such redemption; (5) do not contain terms providing for loss absorption through principal write-down or conversion to ordinary shares (but without prejudice to any acknowledgement of statutory resolution powers substantially similar to Condition 18); and (6) preserve any existing rights to any accrued and unpaid interest and any other amounts payable under the relevant Notes which has accrued to Noteholders and not been paid; and

(e) are listed on the same stock exchange or market as the relevant Notes.

7. PAYMENTS

(a) *Method of Payment*

Subject as provided below:

(i) payments in a Specified Currency other than euro will be made by credit or transfer to an account in the relevant Specified Currency maintained by the payee with a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Melbourne or Wellington, respectively); and

(ii) payments will be made in euro by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee.

(b) *Payments subject to fiscal and other laws*

Payments in respect of the Notes will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment or other laws and regulations to which the Issuer or the Paying Agents are subject, but without prejudice to the provisions of Condition 10, and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "Code") or otherwise imposed pursuant to Sections 1471 to 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto.

(c) *Presentation of Notes and Coupons*

Payments of principal in respect of definitive Notes will (subject as provided below) be made in the manner provided in Condition 7(a) above against presentation and surrender (or, in the case of part payment only, endorsement) of definitive Notes and payments of interest in respect of definitive Notes will (subject as provided below) be made as aforesaid against presentation and surrender (or, in the case of part payment only, endorsement) of Coupons, in each case at the specified office of any Paying Agent outside the United States and its possessions (as referred to below).

Fixed Rate Notes in definitive form (other than Long Maturity Notes (as defined below)) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons) failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against presentation and surrender (or, in the case of part payment only, endorsement) of the relative missing Coupon at any time before the expiry of ten years after the Relevant Date (as defined in Condition 10) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 14) or, if later, five years from the date on which such Coupon would otherwise have become due but in no event thereafter. Upon any Fixed Rate Note in definitive form becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note, Reset Note or Long Maturity Note in definitive form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof. A **Long Maturity Note** is a Fixed Rate Note (other than a Fixed Rate Note which on issue had a Talon attached) whose nominal amount on issue is less than the aggregate interest payable thereon provided that such Note shall cease to be a Long Maturity Note on the Interest Payment Date on which the aggregate amount of interest remaining to be paid after that date is less than the nominal amount of such Note.

If the due date for redemption of any definitive Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant definitive Note.

(d) *Payments in respect of global Notes*

Payments of principal and interest (if any) in respect of Notes represented by any global Note will (subject as provided below) be made in the manner specified above

in relation to definitive Notes or otherwise in the manner specified in the relevant global Note, where applicable against presentation or surrender (or, in the case of part payment only, endorsement), as the case may be, of such global Note at the specified office of any Paying Agent outside the United States and its possessions. A record of each payment made, distinguishing between any payment of principal and any payment of interest, will be made on such global Note either by the Paying Agent to which it was presented or in the records of Euroclear and Clearstream, Luxembourg, as applicable.

The holder of the relevant global Note shall be the only person entitled to receive payments in respect of Notes represented by such global Note and the Issuer will be discharged by payment to, or to the order of, the holder of such global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the beneficial holder of a particular nominal amount of Notes represented by such Global Note must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for his share of each payment so made by the Issuer, or to the order of, the holder of the relevant global Note. No person other than the holder of the relevant global Note shall have any claim against the Issuer in respect of any payments due in respect of the Notes represented by such global Note.

(e) *Amounts payable in U.S. dollars*

Payments of principal and/or interest in respect of the Notes will be made at the specified office of a Paying Agent in the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia and its possessions)) if:

(i) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment at such specified offices outside the United States of the full amount of principal and interest on the Notes in the manner provided above when due;

(ii) payment of the full amount of such principal and interest at such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest; and

(iii) such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

(f) *Payment Day*

If the date for payment of any amount in respect of any Note or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, unless otherwise specified in the applicable Pricing Supplement, "Payment Day" means any day which (subject to Condition 14) is:

(i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits):

(a) in the case of Notes in definitive form only, in the relevant place of presentation; and

(b) in each Additional Financial Centre specified in the applicable Pricing Supplement; and

(ii) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which if the Specified Currency is Australian dollars or New Zealand dollars shall be Melbourne or Wellington respectively) or (2) in relation to any sum payable in euro, a day on which the TARGET2 System is open.

(g) *Interpretation of Principal and Interest*

Any reference in these Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

(i) any additional amounts which may be payable with respect to principal under Condition 10;

(ii) the Final Redemption Amount of the Notes;

(iii) the Early Redemption Amount of the Notes;

(iv) the Optional Redemption Amount(s) (if any) of the Notes;

(v) in relation to Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 6(g)); and

(vi) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Notes.

Any reference in these Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 10.

8. AGENT AND PAYING AGENTS

The names of the initial Agent and the other initial Paying Agents and their initial specified offices are set out below. If any additional Paying Agents are appointed in connection with any Series, the names of such Paying Agents will be specified in Part B of the applicable Pricing Supplement.

The Issuer is entitled to vary or terminate the appointment of any Paying Agent and/or appoint additional or other Paying Agents and/or approve any change in the specified office through which any Paying Agent acts, provided that:

(i) so long as the Notes are listed on any stock exchange or admitted to listing by any other relevant authority, there will at all times be a Paying Agent with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or other relevant authority;

(ii) there will at all times be an Agent; and

(iii) there will at all times be a Paying Agent in a jurisdiction within Europe, other than the jurisdiction in which the Issuer is incorporated.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in the final paragraph of Condition 7(e). Notice of any variation, termination, appointment or change in Paying Agents will be given to the Noteholders Agent and Noteholders promptly by the Issuer in accordance with Condition 15.

9. EXCHANGE OF TALONS

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Notes to which it appertains) a further Talon, subject to the provisions of Condition 14. Each Talon shall, for the purposes of these Conditions, be deemed to mature on the Interest Payment Date on which the final Coupon comprised in the relative Coupon sheet matures.

10. TAXATION

All payments in respect of the Notes and Coupons payable by or on behalf of the Issuer shall be made free and clear of, and without withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature ("Taxes") imposed, collected, withheld, assessed or levied by or on behalf of, the Hellenic Republic or any political subdivision thereof or any authority or agency therein or thereof having power to tax (in each case, a "Taxing Jurisdiction"), unless such withholding or deduction of such Taxes is required by law. In that event, the Issuer shall pay such additional amounts in respect of interest and, in respect of the Senior Preferred Liquidity Notes only, in respect of principal and premium, as may be necessary in order that the net amounts received by the holders of the Notes or Coupons after such withholding or deduction shall equal the respective amount of interest (and, in respect of the Senior Preferred Liquidity Notes only, principal and premium) which would otherwise have been receivable in respect of the Notes or Coupons, as the case may be, in the absence of such withholding or deduction; except that no such additional amounts shall be payable in respect of any Note or Coupon:

(i) the holder of which is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of his having some connection with the Hellenic Republic, other than the mere holding of such Note or Coupon; or

(ii) presented for payment by or on behalf of a Noteholder or Couponholder who would not be liable or subject to such withholding or deduction if he were to comply with any statutory requirement or to make a declaration of non-residence or other similar claim for exemption but fails to do so; or

(iii) presented for payment more than thirty days after the Relevant Date (as defined below), except to the extent that the relevant Noteholder or Couponholder would have been entitled to such additional amounts on presenting the same for payment on the expiry of such period of thirty days; or

(iv) presented for payment in Greece.

For the purposes of these Conditions, the "Relevant Date" means, in respect of any payment, the date on which such payment first becomes due and payable, but if the full amount of the moneys payable has not been received by the Agent on or prior to such due date, it means the first date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 15.

Taxing Jurisdiction: If the Issuer becomes subject at any time to any taxing jurisdiction other than the Hellenic Republic, references in these Conditions to the Hellenic Republic or Greece shall be construed as references to the Hellenic Republic or Greece (as applicable) and/or such other jurisdiction.

11. EVENTS OF DEFAULT

(1) *Non-restricted Events of Default Notes*

This Condition 11(1) is applicable only in relation to Notes specified in the applicable Pricing Supplement as being Senior Preferred Liquidity Notes and references to "Notes" and "Noteholders" shall be construed accordingly.

(a) Unless otherwise specified in the applicable Pricing Supplement, the following events or circumstances (each an "Event of Default") shall be acceleration events in relation to the Notes, namely:

(i) the Issuer fails to pay in the Specified Currency any amount of principal or interest in respect of the Notes on the due date for payment thereof and such failure continues for a period of 14 days; or

(ii) the Issuer defaults in the performance or observance of any of its other obligations under or in respect of the Notes or Coupons and such default remains unremedied for 30 days after written notice thereof has been delivered by a Noteholder to the Issuer requiring the same to be remedied; or

(iii) the repayment of any indebtedness owing by the Issuer is accelerated by reason of default and such acceleration has not been rescinded or annulled, or the Issuer defaults (after whichever is the longer of any originally applicable period of grace and 14 days after the due date) in any payment of any indebtedness or in the honouring of any guarantee or indemnity in respect of any indebtedness provided that no such event shall constitute an Event of Default unless the indebtedness whether alone or when aggregated with other indebtedness relating to all (if any) other such events which shall have occurred and be continuing shall exceed €25,000,000 (or its equivalent in any other currency or currencies); or

(iv) any order shall be made by any competent court or resolution passed for the winding up or dissolution of the Issuer (other than for the purpose of amalgamation, merger or reconstruction on terms approved by an Extraordinary Resolution of the Noteholders); or

(v) the Issuer shall stop payment or shall be unable to, or shall admit inability to, pay its debts as they fall due, or shall be adjudicated or found bankrupt or insolvent by a court of competent jurisdiction or shall make a conveyance or assignment for the benefit of, or shall enter into any composition or other arrangement with, its creditors generally; or

(vi) a receiver, trustee or other similar official shall be appointed in relation to the Issuer or in relation to the whole or over half of the assets of the Issuer or an interim supervisor of the Issuer is appointed by the European Central Bank or the Single Resolution Board or an encumbrancer shall take possession of the whole or over half of the assets of the Issuer, or a distress or execution or other process shall be levied or enforced upon or sued out against the whole or a substantial part of the assets of the Issuer and in any of the foregoing cases it or he shall not be discharged within 60 days, provided that the

following shall not constitute an Event of Default pursuant to this subclause (vi): the appointment of any trustee, monitoring trustee, administrator, receiver, liquidator, provisional liquidator, conservator, custodian, officer or analogous officer, supervisor or representative appointed or to be appointed by the European Financial Stability Facility, the European Stability Mechanism, the Hellenic Financial Stability Fund, the Directorate General for Competition, the Single Supervisory Mechanism, the Troika (constituted by the European Central Bank, the International Monetary Fund and the European Commission and acting on a joint or individual basis), the Single Resolution Board, the European Banking Authority, the Bank of Greece, the Greek Ministry of Finance, or any similar, replacement or successor organisation, where the main purpose of such appointment is to supervise or monitor, or in the future to supervise or monitor in any way the Issuer, in consequence of Greece or the Issuer being under a financial support scheme or the Issuer being under a resolution scheme, apart from cases where such an appointment is performed within the context of a special liquidation proceeding applicable to the Issuer.

(b) If any Event of Default shall occur and be continuing in relation to any Note, any Noteholder may, by written notice to the Issuer at the specified office of the Agent, declare that such Note shall be forthwith due and payable, whereupon the same shall become immediately due and payable at its Early Redemption Amount as may be specified in or determined in accordance with the applicable Pricing Supplement, together (if applicable) with interest accrued to (but excluding) the date of redemption.

(2) *Restricted Events of Default*

This Condition 11(2) is applicable only in relation to Notes specified in the applicable Pricing Supplement as being Senior Preferred Notes, Senior Non-Preferred Notes or Tier 2 Notes and any references to "Notes" or "Noteholders" shall be construed accordingly. The events specified below are both "Restricted Events of Default":

(a) If default is made in the payment of any amount due in respect of the Notes on the due date and such default continues for a period of 7 days, any Noteholder may, to the extent allowed under applicable law, institute proceedings for the winding up of the Issuer.

(b) If, otherwise than for the purposes of a reconstruction or amalgamation on terms previously approved by an Extraordinary Resolution of the Noteholders, an order is made or an effective resolution is passed for the winding up of the Issuer, any Noteholder may, by written notice to the Agent, declare such Note to be due and payable whereupon the same shall become immediately due and payable at its Early Redemption Amount as may be specified in or determined in accordance with the applicable Pricing Supplement, together (if applicable) with interest accrued to (but excluding) the date of redemption unless such Restricted Event of Default shall have been remedied prior to receipt of such notice by the Agent.

12. MEETINGS OF NOTEHOLDERS, MODIFICATION AND WAIVER

The Agency Agreement contains provisions (which shall have effect as if incorporated herein) for convening meetings (including by way of a conference call, including by use of a videoconference platform) of the Noteholders to consider any matter affecting their interests, including (without limitation) the modification by Extraordinary Resolution (as defined in the Agency Agreement) of these Conditions. An Extraordinary Resolution passed at any meeting of the Noteholders will be binding on all Noteholders whether or not they are present at the meeting, and on all holders of Coupons relating to the Notes.

The Agent and the Issuer may agree, without the consent of the Noteholders or Couponholders, to:

(i) any modification (except as mentioned above) of the Notes, the Coupons or the Agency Agreement which is not prejudicial to the interests of the Noteholders; or

(ii) any modification of the Notes, the Coupons or the Agency Agreement which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of law.

Any such modification shall be binding on the Noteholders and the Couponholders and any such modification shall be notified to the Noteholders in accordance with Condition 15 as soon as practicable thereafter.

The agreement or approval of the Noteholders shall not be required in the case of any variation of these Conditions required to be made in the circumstances described in Conditions 5(d), 6(m) and 16 in connection with the variation of the terms of the Notes or the substitution of the relevant Issuer in accordance with such Conditions.

In the case of Senior Preferred Notes and Senior Non-Preferred Notes, any modification (other than a modification which is made to correct a manifest error) of such Notes, these Conditions or the Deed of Covenant will be subject to Condition 6(k).

In the case of Tier 2 Notes, any modification (other than a modification which is made to correct a manifest error) of such Notes, these Conditions and the Deed of Covenant will be subject to Condition 6(k) and/or Condition 6(l) (as applicable).

If, pursuant to Condition 21 below, a Noteholders Agent has been appointed and such appointment is continuing then, notwithstanding the above and the provisions of the Agency Agreement, the Noteholders Agency Agreement and all mandatory provisions of Greek Law 4548/2018 shall apply to the convening and conduct of meetings of Noteholders and the Noteholders Agent shall observe and comply with the same.

13. REPLACEMENT OF NOTES, COUPONS AND TALONS

Should any Note, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Agent in London (or such other place as may be notified to the Noteholders), in accordance with all applicable laws and regulations, upon payment by the claimant of the costs and expenses incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued.

14. PRESCRIPTION

The Notes and Coupons will become void unless claims in respect of principal and/or interest are made within a period of ten years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Condition 10) therefor.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition 14 or Condition 7(b) or any Talon which would be void pursuant to Condition7(b).

15. NOTICES

All notices to Noteholders regarding the Notes shall be valid if published in the *Financial Times* or another leading English language daily newspaper with circulation in London. The Issuer will ensure that notices to Noteholders are published if and for so long as the Notes

are listed on the Luxembourg Stock Exchange and so long as the rules so require, in a daily newspaper with circulation in Luxembourg, which is expected to be the *Luxemburger Wort* or the Luxembourg Stock Exchange's website, www.bourse.lu.

Until such time as any definitive Notes are issued, there may, so long as the global Note(s) representing the Notes is or are held in its or their entirety on behalf of Euroclear and/or Clearstream, Luxembourg, be substituted for such publication as aforesaid the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg, as appropriate, for communication by them to the Noteholders. Any such notice shall be deemed to have been given to the Noteholders on the day after the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg, as appropriate.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Agent. Whilst any of the Notes are represented by a global Note, such notice may be given by any Noteholder to the Agent via Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Agent and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

The Issuer shall also ensure that notices are duly published in a manner which complies with the rules of any stock exchange or other relevant authority on which the Notes are for the time being listed or by which they have been admitted to trading including publication on the website of the relevant stock exchange or relevant authority if required by those rules.

Any such notices will, if published more than once, be deemed to have been given on the date of the first publication, as provided above.

The holders of Coupons and Talons will be deemed for all purposes to have notice of the contents of any notice given to Noteholders in accordance with this Condition.

Any notice concerning the Notes shall be given to the Noteholders Agent. Any such notice shall be deemed to have been given to the Noteholders on the seventh day after the day on which the said notice was given to the Noteholders Agent.

16. SUBSTITUTION OF THE ISSUER

(a) Subject to, and as provided in, this Condition 16, the Issuer may, without the consent of any Noteholder or Couponholder, substitute for itself any other body corporate incorporated in any country in the world (including any Successor in Business or Holding Company of Piraeus Bank or PFH) as the debtor in respect of the Notes, any Coupons, the Deed of Covenant, the Agency Agreement or the Noteholders Agency Agreement (the "Substituted Debtor") upon notice by the Issuer to be given in accordance with Condition 15, provided that:

(i) the Issuer is not in default in respect of any amount payable under the Notes;

(ii) the Issuer and the Substituted Debtor have entered into such documents (the "Documents") as are necessary to give effect to the substitution and in which the Substituted Debtor has undertaken in favour of each Noteholder to be bound by these Conditions and the provisions of the Agency Agreement as the debtor in respect of the Notes in place of the Issuer (or of any previous substitute under this Condition 16);

(iii) except if the Substituted Debtor is an Excluded Entity in relation to the Issuer, the Issuer shall unconditionally and irrevocably guarantee (such guarantee, the "Guarantee" and such guarantor, the "Guarantor") in favour of each

Noteholder the payment of all sums payable by the Substitutor Debtor as such principal debtor, with the obligations of the Guarantor under the Guarantee ranking pari passu with the Issuer's obligations under the Notes prior to the substitution becoming effective;

(iv) the Substituted Debtor shall enter into a deed of covenant in favour of the holders of the Notes then represented by a global Note on terms no less favourable than the Deed of Covenant then in force in respect of the Notes;

(v) if the Substituted Debtor is resident for tax purposes in a territory (the "New Residence") other than that in which the Issuer prior to such substitution was resident for tax purposes (the "Former Residence"), the Documents contain an undertaking and/or such other provisions as may be necessary to ensure that each Noteholder has the benefit of an undertaking in terms corresponding to the provisions of Condition 10, with the substitution of references to the Former Residence with references to the New Residence;

(vi) the Substituted Debtor and the Issuer have obtained all necessary governmental approvals and consents for such substitution and for the performance by the Substituted Debtor of its obligations under the Documents;

(vii) each stock exchange on which the Notes are listed shall have confirmed that, following the proposed substitution of the Substituted Debtor, the Notes will continue to be listed on such stock exchange; and

(viii) if applicable, the Substituted Debtor has appointed a process agent as its agent in England to receive service of process on its behalf in relation to any legal proceedings arising out of or in connection with the Notes and any related Coupons.

(b) In the case of Senior Preferred Notes, Senior Non-Preferred Notes and Tier 2 Notes, any substitution pursuant to Condition 16(a) will be subject to Condition 6(k) (in the case of Senior Preferred Notes and Senior Non-Preferred Notes) or Condition 6(k) and/or Condition 6(l) (as applicable) (in the case of Tier 2 Notes).

(c) Upon such substitution the Substituted Debtor shall succeed to, and be substituted for, and may exercise every right and power of, the Issuer under the Notes, any Coupons, the Deed of Covenant and the Agency Agreement with the same effect as if the Substituted Debtor had been named as the Issuer herein, and the Issuer shall be released from its obligations under the Notes, any Coupons and/or Talons, the Deed of Covenant and under the Agency Agreement.

(d) After a substitution pursuant to Condition 16(a) the Substituted Debtor may, without the consent of any Noteholder or Couponholder, effect a further substitution. All the provisions specified in Conditions 16(a), 16(b) and 16(c) shall apply *mutatis mutandis*, and references in these Conditions to the Issuer shall, where the context so requires, be deemed to be or include references to any such further Substituted Debtor.

(e) After a substitution pursuant to Condition 16(a) or 16(d) any Substituted Debtor may, without the consent of any Noteholder or Couponholder, reverse the substitution, *mutatis mutandis*.

(f) The Documents shall be delivered to, and kept by, the Agent. Copies of the Documents will be available free of charge during normal business hours at the specified office of each of the Paying Agents.

(g) In the event of any substitution of Senior Preferred Notes issued by PFH such that the Substituted Debtor becomes Piraeus Bank or its Successor in Business the Issuer and the Substituted Debtor may (in their sole discretion) vary the terms of the Notes so that they become Senior Non-Preferred Notes and provided further that, if the Issuer has issued one or more other Series of Notes with the same ranking as the Notes (such other Notes, "Other Relevant Notes"), the Issuer may only vary the terms of the Notes in accordance with this sub-paragraph if equivalent variations to the terms of the Other Relevant Instruments are made at or around the same time as the relevant variation(s) to the terms of the Notes.

(h) In the event of any substitution of Senior Non-Preferred Notes issued by Piraeus Bank such that the Substituted Debtor becomes PFH, any Successor in Business of PFH or any other Holding Company of Piraeus Bank (where permitted pursuant to this Condition 16) the Issuer and the Substituted Debtor may (in their sole discretion) vary the terms of the Notes so that they become Senior Preferred Notes.

(i) No substitution may be made of Senior Preferred Liquidity Notes issued by Piraeus Bank to PFH, any Successor in Busines of PFH or any other Holding Company of Piraeus Bank.

(j) For the purpose of this Condition 16, references to:

(i) the "Agency Agreement" shall, where the Substituted Debtor is incorporated in the Hellenic Republic, be deemed to include the Noteholders Agency Agreement to the extent applicable and where the context so admits;

(ii) an "Excluded Entity" in relation to the Issuer means:

(a) the Successor in Business of the Issuer;

(b) in relation to Notes issued by PFH, Piraeus Bank or any Successor in Business of Piraeus Bank; and

(c) if "Substitution to Holding Company" is specified as "Applicable" in the applicable Pricing Supplement, in relation to Notes issued by Piraeus Bank, PFH, any Successor in Business of PFH or any other Holding Company of the Issuer and, in relation to Notes issued by PFH, any Holding Company of PFH.

No substitution may be made of Senior Preferred Liquidity Notes issued by Piraeus Bank to PFH, any Successor in Busines of PFH or any other Holding Company of Piraeus Bank

(iii) "Holding Company" means (in relation to another body corporate ("Company B") a body corporate which:

(a) holds a majority of the voting rights in Company B; or

(b) is a member of Company B and has the right to appoint or remove a majority of its board of directors; or

(c) is a member of Company B and controls alone, under an agreement with other shareholders and members, a majority of the voting rights in Company B; and

(iv) a "Successor in Business" shall mean, in relation to the Issuer, any company which:

(a) owns beneficially the whole or substantially the whole of the property and assets owned by the Issuer immediately prior thereto; and

(b) carries on, as successor to the Issuer, the whole or substantially the whole of the business carried on by the Issuer immediately prior thereto.

17. FURTHER ISSUES

The Issuer shall be at liberty from time to time without the consent of the Noteholders to create and issue further notes ranking *pari passu* in all respects (or in all respects save for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue) with the outstanding Notes and so that the same shall be consolidated and form a single series with the outstanding Notes.

18. STATUTORY LOSS ABSORPTION

Notwithstanding any other term of the Notes or any other agreement, arrangement or understanding between the Issuer and the Noteholders, by its subscription and/or purchase and holding of the Notes, each Noteholder (which for the purposes of this Condition 18 includes each holder of a beneficial interest in the Notes) acknowledges, accepts, consents and agrees:

(a) to be bound by the effect of the exercise of the Statutory Loss Absorption Power by the Relevant Resolution Authority, which may include and result in any of the following, or some combination thereof:

(i) the reduction of all, or a portion, of the Amounts Due (as defined below) on a permanent basis;

(ii) the conversion of all, or a portion, of the Amounts Due into shares, other securities or other obligations of the Issuer or another person (and the issue to or conferral on the holder of such shares, securities or obligations), including by means of an amendment, modification or variation of the terms of the Notes, in which case the Noteholder agrees to accept in lieu of its rights under the Notes any such shares, other securities or other obligations of the Issuer or another person;

(iii) the cancellation of the Notes or Amounts Due; or

(iv) the amendment or alteration of the maturity of the Notes or amendment of the Interest Amount payable on the Notes, or the date on which the interest becomes payable, including by suspending payment for a temporary period; and

(b) that the terms of the Notes are subject to, and may be varied, if necessary, to give effect to, the exercise of the Statutory Loss Absorption Power by the Relevant Resolution Authority.

Upon an Issuer being informed and notified by the Relevant Resolution Authority of the actual exercise of any Statutory Loss Absorption Power with respect to the Notes, such Issuer shall notify the Noteholders without delay in accordance with Condition 15. Any delay or failure by

the Issuer to give notice shall not affect the validity and enforceability of the Statutory Loss Absorption Power nor the effects on the Notes described in this Condition 18.

The exercise of any Statutory Loss Absorption Power by the Relevant Resolution Authority with respect to the Notes shall not constitute an Event of Default or a Restricted Event of Default (as applicable), and the terms and conditions of the Notes shall continue to apply in relation to the residual principal amount of, or outstanding amount payable with respect to, the Notes, subject to any modification of the amount of interest payable to reflect the reduction of the principal amount, and any further modification of the terms that the Relevant Resolution Authority may decide in accordance with applicable laws and regulations relating to the resolution of credit institutions, investment firms and/or Group Entities incorporated in the relevant Member State or, if appropriate, third country (not or no longer being a Member State).

Each Noteholder also acknowledges and agrees that this provision is exhaustive on the matters described herein to the exclusion of any other agreements, arrangements or understandings relating to the application of any Statutory Loss Absorption Power to the Notes.

In these Conditions:

"Amounts Due" means the principal amount, together with any accrued but unpaid interest, and any additional amounts referred to in Condition 10, if any, due on the Notes. References to such amounts will include amounts that have become due and payable, but which have not been paid, prior to the exercise of the Statutory Loss Absorption Power by the Relevant Resolution Authority.

"Group Entity" means an entity in the Group.

"Relevant Resolution Authority" means the resolution authority of the Hellenic Republic, the Single Resolution Board established pursuant to the SRM Regulation and/or any other authority entitled to exercise or participate in the exercise of any Statutory Loss Absorption Power from time to time.

"SRM Regulation" means Regulation (EU) No 806/2014 of the European Parliament and Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010, as amended or replaced from time to time.

"Statutory Loss Absorption Power" means any statutory write-down and/or conversion power existing from time to time under any laws, regulations, rules or requirements, whether relating to the resolution or independent of any resolution action of credit institutions, financial holding companies, investment firms and/or Group Entities incorporated in the relevant Member State or, if appropriate, a third country (not or no longer being a Member State) in effect and applicable in the relevant Member State or, if appropriate, third country (not or no longer being a Member State) to the Issuer, PFH (if not the Issuer) or other Group Entities, including (but not limited to) the bail-in powers provided for by articles 43 and 44 of Greek law 4335/2015 which has transposed the BRRD, the write-down powers provided for by articles 59 and 60 of Greek law 4335/2015 and any other such laws, regulations, rules or requirements that are implemented, adopted or enacted within the context of any European Union directive or regulation of the European Parliament and of the Council establishing a framework for the recovery and resolution of credit institutions and investment firms and/or within the context of a relevant Member State resolution regime or otherwise, pursuant to which liabilities of a credit institution, investment firm and/or Group Entities can be reduced, cancelled and/or converted into shares or other obligations of the obligor or any other person.

19. GOVERNING LAW; SUBMISSION TO JURISDICTION

(a) The Agency Agreement, the Deed of Covenant, the Notes, the Coupons and any non-contractual obligations arising out of or in connection with the Agency Agreement, the Deed of Covenant, the Notes and the Coupons are governed by, and shall be construed in accordance with, English law except that Conditions 3(b), 3(c), 4(b), 4(c), 18 and 21, are governed by and shall be construed in accordance with Greek law.

(b) The English courts have exclusive jurisdiction to settle any dispute arising out of or in connection with the Agency Agreement, the Deed of Covenant, the Notes and/or the Coupons, including any dispute as to their existence, validity, interpretation, performance, breach or termination or the consequences of their nullity and any dispute relating to any non-contractual obligations arising out of or in connection with the Agency Agreement, the Deed of Covenant, the Notes and/or the Coupons (a "Dispute") and each party submits to the exclusive jurisdiction of the English courts. For the purposes of this Condition 19(b), each of Piraeus Bank, PFH, the Noteholders and Couponholders waives any objection to the English courts on the grounds that they are an inconvenient or inappropriate forum to settle any Dispute.

(c) The Issuer irrevocably and unconditionally agrees that service in respect of any Proceedings may be effected upon Piraeus Group Finance PLC, at 4 Felstead Gardens, Ferry Street, London, E14 3BS, United Kingdom and undertakes that in the event of Piraeus Group Finance PLC ceasing to act as process agent, the Issuer will forthwith appoint a further person as its agent for that purpose and notify the name and address of such person to the Agent and agrees that, failing such appointment within fifteen days, any Noteholder shall be entitled to appoint such a person by written notice addressed to the Issuer and delivered to the Issuer or to the specified office of the Agent. Nothing contained herein shall affect the right of any Noteholder to serve process in any other manner permitted by law.

20. THIRD PARTY RIGHTS

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

21. NOTEHOLDERS AGENT

If the holders of any Notes must be organised in a group pursuant to article 63 of Greek Law 4548/2018, to the extent applicable, the Issuer shall appoint a Noteholders Agent by way of a written agreement (the "Noteholders Agency Agreement").

The Noteholders Agent shall represent the Noteholders judicially and extra-judicially in accordance with the provisions of Greek Law 4548/2018. The applicable Pricing Supplement will specify the name of the entity (if any) acting as Noteholders Agent.

Subject as provided in Condition 12, the Noteholders Agent shall have such rights against the Issuer and such duties and obligations as are prescribed for an entity acting in such capacity under Greek Law 4548/2018 but such rights, duties and obligations shall be without prejudice to the rights of Noteholders against the Issuer set out in these Conditions.

USE OF PROCEEDS

Subject as described below, the net proceeds from each issue of Notes will be used by the relevant Issuer for the general corporate and financing purposes of the Group (as defined below). If in respect of an issue there is a particular identified use of proceeds, this will be specified in the applicable Pricing Supplement.

The Pricing Supplement relating to any specific Tranche of Notes may provide that the Notes are intended to be issued as Green Bonds and that it will be the relevant Issuer's intention to apply or allocate an amount equal to the net proceeds from the issue of the Notes to finance or re-finance, in whole or in part, Eligible Green Assets originated by the Group that will help contribute to achieving a carbon neutral Europe by 2050 and are expected to provide positive environmental impact, in each case as determined by the relevant Issuer in accordance with the eligibility criteria (the "Eligibility Criteria") set out in the Green Bond Framework (the "Green Bond Framework") available on the following website (https://www.piraeusholdings.gr/en/investors/financials/debt-issuance-capacity) and in effect at the time of issuance of the Notes.

For the purposes of this Offering Circular, "Eligible Green Assets" are loans to projects that meet the Eligibility Criteria, which have been selected according to the ESG policies and strategy of the Group and are set out in the Green Bond Framework.

Sustainalytics (an independent provider of research-based evaluations of green financing frameworks that determine their environmental robustness) has evaluated the Green Bond Framework and issued a second party opinion (the "Second Party Opinion") on the Green Bond Framework verifying its credibility, impact and alignment with the International Capital Markets Association Green Bond Principles 2021. The second-party opinion is available on following website (https://www.sustainalytics.com/corporate-solutions/sustainable-finance-and-lending/published-projects/project/piraeus-group/piraeus-group-green-bond-framework-second-party-opinion-(2021)/piraeus-group-green-bond-framework-second-party-opinion).

The Green Bond Framework may be updated from time to time to reflect current market practices. The amended Green Bond Framework would be subject to the relevant internal and external review processes and a new second-party opinion on the Green Bond Framework would be obtained in connection with any such amendment. Holders would not be entitled to vote on such cases. Any amendments to the Green Bond Framework and any new second-party opinion on the Green Bond Framework will be published and will be available on the websites referred to above.

None of the Green Bond Framework, the Second Party Opinion or any public reporting by or on behalf of the relevant Issuer in respect of the application of proceeds are incorporated by reference into this Offering Circular.

PIRAEUS FINANCIAL HOLDINGS S.A.

Name and legal form of the Piraeus Financial Holdings

Piraeus Financial Holdings was initially incorporated in Greece on 6 July 1916 as Piraeus Bank Société Anonyme pursuant to the laws of the Hellenic Republic. The ordinary shares of the former Piraeus Bank Société Anonyme have been listed on the ATHEX since 1918.

Following the Demerger on 30 December 2020, the former Piraeus Bank Société Anonyme ceased to be a credit institution, retained activities, assets and liabilities not related to core banking activities and changed its corporate name to "Piraeus Financial Holdings S.A.". Piraeus Financial Holdings S.A. (i) holds 100% of the share capital of the newly-formed credit institution incorporated under the corporate name "Piraeus Bank Société Anonyme", which substituted the former Piraeus Bank Société Anonyme, by way of universal succession to all the transferred assets and liabilities of the core banking operations of the former Piraeus Bank Société Anonyme, and (ii) is the direct or indirect ultimate parent holding company for all other companies that, prior to the Demerger, comprised the "Group".

Following the transposition of CRD V into Greek law, Piraeus Financial Holdings, in its capacity as parent financial holding company of Piraeus Bank Société Anonyme, is required to seek approval by the ECB in order to act as the financial holding company of a credit institution within the meaning of article 4 par. 1 (1) of the CRR. Piraeus Financial Holdings has filed an application for the requisite approvals after the enactment of the relevant law, which we expect would be granted subject to the fulfilment of certain operational and organisational requirements as outlined under "Regulatory Considerations—Prudential supervision of financial holding companies".

Piraeus Financial Holdings S.A. (former Piraeus Bank Société Anonyme) with a distinctive title "Piraeus Financial Holdings", is registered in Greece (General Commercial Registry number 225501000) and has its registered office at 4 Amerikis Street, 105 64 Athens, Greece. The telephone number is +30 210 328 8100. Its website is https://www.piraeusholdings.gr.

Overview

Piraeus Financial Holdings is a financial holding company within the meaning of article 4 par. 1 (20) of the CRR listed on ATHEX and holds 100% of the share capital of Piraeus Bank Société Anonyme, the largest bank in Greece measured by gross loans as at 31 December 2020, with a 31.3% market share, according to data from the Bank of Greece.

For further information on Piraeus Bank Société Anonyme please refer to the section of this Offering Circular headed "Piraeus Bank SA".

In addition, Piraeus Financial Holdings, as the parent company of the Group, holds 100% of the company "Piraeus Agency Solutions Single-Member Société Anonyme for the Provision of Insurance Products" Distribution Services and Financial Services" and the credit institution "JSC Piraeus Bank ICB" incorporated in Ukraine, while it undertakes activities relating to:

- the mediation and distribution of insurance products, the provision of insurance consulting services and insurance indemnities to third parties and companies of the Group, as well as the research, study and analysis of insurance issues,
- the provision of specialised share registry services to domestic and/or foreign legal entities and other entities and companies and
- the provision of financial advisory services.

In addition, Piraeus Financial Holdings maintains information and investor relations services, as well as share registry services.

The Group's competitive strengths

The Group believe it has several competitive strengths that allow it to respond to the currently challenging conditions in the market due to the COVID-19 pandemic and will position it to benefit from improved economic conditions in Greece in the future. These strengths include:

Leading position in the Greek banking market with a strong distribution network and client relationships

Piraeus Financial Holdings' wholly-owned subsidiary, Piraeus Bank Société Anonyme, is the leading bank in Greece as measured by gross loans with a 31.3% market share as at 31 December 2020 (source: Bank of Greece). As at 30 June 2021, according to the Group's internal estimates, the Bank had the largest distribution network in Greece, with 474 branches, serving approximately 5.5 million customers representing 65% of bankable customers in Greece.

Based on its internal market data, the Group estimate that its client satisfaction rate (as measured by the TRI*M index method) at 82, is in the top quartile of European banks. Similarly, the Group's net promoter score ("NPS") for 2020 stands at 28, comparing favourably to the minus 4 NPS benchmark.

The Group believes the Bank's extensive footprint and strong customer perception allows it to fully cover the Greek domestic market and to compete for deposits and lending opportunities more effectively. Additionally, the registered users to the Group's e-banking platform, *winbank*, which complements the Bank's extensive branch network, grew by more than 15% year-over-year in 2020 with a market share of 28% based on internal estimates. In 2020, approximately 95% of all banking transactions were executed via digital channels, partially due to increased demand for digital banking services during the COVID-19 pandemic, but also reflecting an ongoing trend toward increased digitalisation.

In line with the Group's strategy, the Bank disbursed €6.3 billion of new loans and increased its performing loan book by €1.4 billion to €27.1 billion in 2020, while also increasing its deposits portfolio by €2.3 billion to €49.6 billion during the same period. During the first half of 2021 the Bank disbursed €3.4 billion of new loans and its performing loan book amounted to €27.6 billion as at 30 June 2021, while its deposits increased by €1.6 billion during the same period, reaching €51.2 billion.

Leading provider of financial products and services to businesses in Greece

Piraeus Bank Société Anonyme is a leading provider of credit and other banking services to the large corporate, SME and small business customer segments in Greece. The provision of credit and other banking services to these customer segments has consistently been among the areas of principal focus for the Group's commercial banking activities for more than two decades.

In addition to the Bank's nationwide branch network, the Bank provides specialised coverage and services to these customer segments with a dedicated network of relationship managers at its 10 specialised business centres (the "Business Centres") conveniently located across Greece. The Bank's small businesses and professionals' unit manages its service offerings to small business customers, along with a network of small business specialists throughout the Bank's branches. The Group's leading market position within these customer segments, which is demonstrated by its 32.6% market share in corporate loan balances as at 31 December 2020, offers it several competitive advantages, including significant opportunities for cross-selling products and services.

The Bank supports businesses operating across a broad spectrum of industries, including manufacturing, craft industry, wholesale and retail trade, transport and logistics, energy, technology, housing and food services. As at 31 December 2020, the Group's gross loans to the large corporate customer segment stood at €12.7 billion, corresponding to a market share of 32.9%. The Bank is also the main bank for a large number of SMEs in Greece, doing business with approximately 80% of all SMEs in the country. As at 31 December 2020, the Group's outstanding loans to approximately 130,000 SMEs stood at €17.1 billion, corresponding to a market share of 30.1%, with loans to small businesses standing at €3.5 billion, corresponding to a market share of 40.5%, according to the Bank of Greece. The Bank has approximately 400,000 clients in Greece within the small business customer segment. The Bank's SME and small business customers, even though adversely impacted by the consequences of the prolonged financial and economic crisis in Greece, have generally shown resilience. The Group does not have a significant concentration of business loans in any specific industry and its business loan portfolio is geographically diversified across Greece. Additionally, while the Group has a cross-sale ratio of 4.1 across the large corporate and SME customer segments, it has a higher cross-sale ratio of 5.8 with respect to the small business

customer segment, propelled by its strong penetration in this customer segment and the wide spectrum of products it offers.

The Group believes the grants and loans that will be distributed in Greece through the "Next Generation EU" programme (the "Next Generation EU") will support the return of the Greek economy to sustainable growth, by enabling the productive reconstruction and expansion of Greek businesses. The Group expects this recovery of the Greek economy to be driven mainly by businesses, including the agricultural sector, which it believes will place it in a favourable position to benefit from such economic recovery.

Leading provider of financial products and services to the agricultural customer segment in Greece

The Bank has strong banking relationships with approximately 700,000 agricultural sector customers in Greece. Since 2012, following the acquisition of ATE Bank's business and pursuant to consecutive international competitions, the Bank has been assigned the Payment and Control Agency for Guidance and Guarantee Community Aid ("OPEKEPE") seasonal funding facility, a bridge financing facility that provides European Union funds to Greek farmers. Under the OPEKEPE seasonal funding facility, the Group provided disbursements of €1.5 billion as at 31 December 2020, which has been fully repaid in the first quarter of 2021. Traditionally the agricultural sector has been an underserved and under-penetrated market in Greece, which the Group believe offers it opportunities for deposit collections and fee income generation through cross-selling. As at 31 December 2020, loans to the agricultural customer segment stood at €1.4 billion, while deposits from this customer segment, which are mainly low cost, stood at €5.4 billion.

Strategic partnership with Intrum for NPE and real estate management under a 10-year loan and real estate management agreement

The Group's strategic partnership with Intrum enhances the execution of its de-risking strategy. Key benefits for the Bank include:

- the combination of the Group's loan management platform with Intrum's best-in-class practices and extensive loan management experience in multiple European jurisdictions;
- the creation of a leading, independent servicer/loan manager in Greece that facilitates NPE transactions, including transactions utilising the flexibility provided by the HAPS scheme. The HAPS scheme, which supports the reduction of non-performing loans held by Greek banks, provides for a state-sponsored asset protection scheme in favour of the senior noteholders under securitisation schemes that satisfy certain requirements, including the transfer of a portion of the securitised notes to third-party investors. The current HAPS scheme has been prolonged until October 2022, but, upon expiration of the prolonged duration, it is expected to be extended or replaced with a similar scheme. For additional information on the HAPS schedule, see "*Regulatory Considerations—Securitisations—the Hellenic Asset Protection Scheme (HAPS)*";
- participation in the enterprise value growth of the new servicer companies via the Bank's retention of a 20% minority equity participation in Intrum Hellas and Intrum Hellas REO;
- the enhancement of the Group's NPE recovery prospects for the portfolio managed organically; and
- the ability of the Group's management to re-focus on core banking activities, which the Group believes will lead to improved results for the Group.

The Group's strategic partnership with Intrum will also assist with the timely execution of the NPE Reduction Plan, including through the participation of Intrum as a mezzanine investor in certain NPE securitisations. For example, the Group entered into an agreement with Intrum for the sale of 30% of the mezzanine notes in connection with the securitisation of the project Phoenix and project

Vega portfolios, as described in greater detail in this Offering Circular. See "*—The Group's strategy—Optimise the Group's balance sheet by executing the NPE Reduction Plan and the Capital Enhancement Plan*".

Proven expertise in building strong strategic partnerships

The Group has developed key strategic partnerships with prominent international and domestic market participants to support the Group's business growth. Such strategic partnerships allow involved parties to cross-promote, build on each other's strengths, fill in gaps in areas of growth, share intelligence, attract new customers and expand business offerings to existing customers. These partnerships create a unique combination of strong local expertise in Greece and international know-how and structures, allowing the Group's clients to access global solutions encompassing a complete offering of products and services in the domestic market as well as in international expertise.

For instance, in the bancassurance sector, the Group has been building multi-year exclusive strategic collaborations with the insurance companies NN Hellas and ERGO Hellas, which provide insurance solutions for the daily needs of the Group's customers. The objective of these partnerships is focused on the continuous development of sales of life, health, pension and general insurance.

Moreover, the Bank is the only commercial bank in Greece that offers to its clients a comprehensive range of gold products and services, namely sales and purchases, appraisals, and storage facilities, as well as the distribution of the gold bullion sovereign coins across Greece through the Bank's partnership with The Royal Mint.

Lastly, by combining the strengths of the Group's respective offerings and structures, and its highly complementary business models, the Group has found in Intrum a long-term partner to boost the efficiency and effectiveness of managing its NPEs, as described above.

Experienced management team and highly qualified personnel

The Group's management team has significant banking experience with a demonstrated ability in leading the Bank into achieving tangible results in all areas of focus, restoring profitability, strengthening its capital and liquidity position and most importantly de-risking the Bank's balance sheet from the NPEs.

The Group's management team has demonstrated leadership skills in pursuing and executing strategic initiatives, as well as positioning the Bank as a leader among its competitors in Greece as measured by footprint, loans and deposits. Such leadership skills are exemplified by the successful and timely implementation of the Group's 2015 restructuring plan (the "Restructuring Plan"), which consisted of, among others, the following strategic initiatives, the majority of which were executed from 2017 to 2019, and the implementation of which was a condition of receiving capital support from the HFSF:

- streamlining the Bank's branch network and the reduction of its employee base in Greece;
- reducing total operating costs in Greece below €1.1 billion;
- optimising the Group's cost of funding by decreasing the cost of deposits;
- improving the Group's net loans to deposits ratio to less than 115%;
- restricting the Group's equity or subordinated capital support to any foreign subsidiary;
- scaling down the Bank's foreign assets' portfolio; and
- divesting the Group's insurance activities (ATE Insurance and ATE Insurance Romania).

The timely execution of the Restructuring Plan, as attested by the EU commission on 31 January 2020, was coupled with the successful execution of a number of landmark NPE sale

transactions of more than €2 billion total gross book value, including project Amoeba in May 2018, the first secured business NPE portfolio sale in Greece of greater than €1.4 billion gross book value (equivalent to €2 billion legal claims), project Arctos in July 2018, an unsecured consumer NPE portfolio sale of €400 million gross book value, and project Nemo in July 2019, a shipping NPE portfolio sale of €500 million gross book value. Further to the above, the Group is executing €18 billion of NPE securitisations sales (some already completed and some under way), in record time.

The progress achieved by the Group's management team was further evidenced by three successfully completed landmark capital enhancing debt issuance transactions in the international capital markets between 2019 and 2021, commencing with the issue of a €400 million Tier 2 capital instrument in June 2019, the first such issuance by a Greek bank in a decade, a second €500 million Tier 2 capital issuance in February 2020 and an Additional Tier 1 capital instrument in June 2021, the first such issuance by a Greek bank. Further to the above, the Group's management successfully completed a €1.4 billion share capital increase in May 2021. The strategic partnership with Intrum was also another landmark transaction contributing to the successful furtherance of the Group's strategy.

The successful execution of the complex Demerger process and the effective management of the Contingent Convertible Bonds conversion, both completed during 2020, (as described in greater detail in this Offering Circular; see "*—Recent Developments—The Conversion of the Contingent Convertible Bonds*" and "*—Recent Developments—The Demerger*").

In addition, the completion of several important components of the Group's Capital Enhancement Plan during the first quarter of 2021 (including (i) the exchange of Greek government bonds ("GGB") held by the Bank for new GGB with an equivalent nominal value maturing in 2050, yielding gains of €221 million; (ii) trading gains realised from interest rate derivatives of €82 million; and (iii) gains of €85 million from the sale of Italian sovereign bonds with a nominal value of €1,150 million, which were previously included in the debt securities at amortised cost portfolio) serve as further evidence of the execution capabilities of the Group's management team.

As such, the Group believes its management team has developed the strategic experience in setting targets with significant benefits for the Group and executing projects effectively. In addition to growing its business and leading the Group through the recent pandemic turmoil, the Group's senior management team has a proven track record of innovation in banking products and services.

The Group's highly qualified personnel also play a critical role in its business. As at 31 December 2020, the average age of its employees was approximately 45 years. As at 31 December 2020, the percentage of its employees with an undergraduate and/or postgraduate university degree was approximately 76% in Greece. The Group believes that the quality of its human capital is a key factor in achieving it strategic goals, and sees human resource management as a comprehensive set of actions and operations aimed at acquiring, retaining and utilising skilled employees who successfully and productively fulfil their roles. According to a recent internal survey, the Group has achieved an 81% employee satisfaction with the Bank's responsiveness to the COVID-19 pandemic.

The Group is also firmly committed to a diverse and inclusive workforce and to a work environment with equal opportunities for all employees, which creates strong relationships among the Group's employees, based on accountability, meritocracy and transparency, a commitment manifested by the gender split in the Group's employees, which was approximately 58% female and 42% male as at 31 December 2020.

The Group's strategy

The Group's strategic priority is to complete its NPE Reduction Plan, the Group's Capital Enhancement Plan and its Transformation Plan, while maintaining its position as a leading, resilient and socially responsible financial institution, contributing to the development of the Greek economy by financing creditworthy investment plans, providing liquidity to businesses and households, and protecting the savings that the Bank's customers have entrusted to it.

Optimise the Group's balance sheet by executing the NPE Reduction Plan and the Capital Enhancement Plan

In March 2021 the Group announced its Sunrise Plan comprising three linked and inter-dependent strategic pillars aiming at: (i) accelerating the reduction of the Group's NPEs (as described below, the "NPE Reduction Plan"); (ii) completing a series of capital enhancement actions including, *inter alia*, the Share Capital Increase and the issuance of the Additional Tier 1 notes in June 2021 (as described below, the "Capital Enhancement Plan"), and (iii) implementing the Group's transformation plan which aims, among others, to enhance its pre-provision income by implementing a series of revenue strengthening and operating cost reduction actions improving its efficiency and operations (as described below, the "Transformation Plan", see "*—Enhance the Group's stand-alone pre-provision earnings generation by executing its Transformation Plan*").

NPE Reduction Plan

The Group's NPE Reduction Plan, which aspires the drastic reduction of its NPE exposure by €19 billion, of which approximately €18 billion utilised or is intended to utilise the HAPS scheme, consists of the following individual projects, each of which is currently at a different stage of implementation, and all of which the Group aims to complete by early 2022:

- project **Phoenix** (an NPE securitisation, comprising mainly denounced loans, utilising the "Hercules" Asset Protection Scheme (the "HAPS scheme"), with €1.9 billion gross book value): on 23 December 2020, the Group signed a binding agreement with Intrum for the sale of 30% of the mezzanine notes and 50% plus one note of the junior notes of project Phoenix. The Group distributed indirectly in kind 65% of the mezzanine notes and 45% of the junior notes (nominal value of approximately €120 million of the coupon-bearing mezzanine notes and approximately €350 million of the junior notes) to Piraeus Financial Holdings shareholders, by distributing to them shares held by Piraeus Financial Holdings in the share capital of the company under the corporate name Phoenix Vega Mezz Plc ("Phoenix Vega Mezz"). Phoenix Vega Mezz has previously acquired these notes from Piraeus Financial Holdings by way of contribution in kind; the Group retains approximately €1 billion of senior securitisation notes under the HAPS scheme on its balance sheet;

- project **Vega** (an NPE securitisation, comprising mainly denounced loans, utilising the HAPS scheme, with €4.8 billion gross book value): on 1 March 2021, the Group signed a binding agreement with Intrum for the sale of 30% of the mezzanine notes and 50% percent plus one note of the junior notes of project Vega. The Group distributed indirectly in kind 65% of the mezzanine notes and 45% of the junior notes (nominal value of approximately €140 million of the coupon-bearing mezzanine notes and approximately €1.5 billion of the junior notes) to Piraeus Financial Holdings shareholders, by distributing to them shares held by Piraeus Financial Holdings in the share capital of the Phoenix Vega Mezz. Phoenix Vega Mezz has previously acquired these notes from Piraeus Financial Holdings by way of contribution in kind; the Group retains approximately €1.4 billion of senior securitisation notes under the HAPS scheme on its balance sheet;

  On 5 July 2021, the Group announced the completion of the Phoenix and Vega securitisations, in total €6.7 billion of gross book value, following the granting of all necessary approvals. The distribution-in-kind to the Piraeus Financial Holdings shareholders of the shares issued by Phoenix Vega Mezz Ltd, which holds 65% of the mezzanine and 45% of the junior tranches of the aforementioned NPE securitisations, in accordance with the respective resolution of Piraeus Financial Holding's Annual General Meeting of Shareholders dated 22 June 2021, completed on 11 August 2021.

- project **Sunrise 1** (an NPE securitisation, comprising mainly denounced loans, utilising the HAPS scheme, with approximately €7.0 billion gross book value): the Group received a rating from a rating agency on 19 May 2021; the Group submitted a HAPS application for the project Sunrise 1 securitisation on 16 March 2021; the

Group intends to retain approximately €2.45 billion of senior securitisation notes under the HAPS scheme on its balance sheet (in line with the preliminary rating agency rating). On 15 June 2021, Piraeus Financial Holdings announced that it reached definitive agreements with Intrum AB and Serengeti Asset Management LP for the sale of 49% and 2% of the mezzanine and junior notes of the Sunrise 1 NPE portfolio respectively.

Conditional upon requisite supervisory and corporate approvals, Piraeus Financial Holdings is contemplating to distribute part or the whole of the remainder of the said financial instruments to its shareholders.

- project **Sunrise 2 and Sunrise 3** (two HAPS NPE securitisations, comprising mainly forborne loans, with approximately €3.6 billion total gross book value). The first subperimeter of NPEs approximates €2.6 billion (Sunrise 2) and the remainder of €1.0 billion is expected to form a separate securitisation (Sunrise 3). On 5 August 2021, Piraeus Bank announced that is proceeding with the implementation of the Sunrise 2 non-performing loan securitisation transaction. In this context, Piraeus Bank has filed an application seeking inclusion of the Sunrise 2 securitisation under the HAPS scheme. The application related to the granting of the Greek State guarantee on Senior Notes with a total gross value up to €1.2 billion. The perimeter of Sunrise 3 is under assessment and will be finalised in the second half of 2021;

- project **Sunshine** (the potential outright sale of an NPE portfolio, comprising mainly leasing exposures, with approximately €500 million gross book value): the sale process for the portfolio is currently in the binding offer phase, with an estimated completion date in the fourth quarter of 2021;

- project **Dory** (the potential outright sale of an NPE portfolio, comprising mainly shipping loans, with approximately €600 million gross book value): the sale process for the portfolio is currently in the non-binding offer phase with an estimated completion date in the fourth quarter of 2021; and

- sales of other individual corporate NPEs (with gross book value of approximately €300 million): the Group is progressing with the sale process and aim to complete these NPE sales throughout 2021.

The total impact of the Group's NPE Reduction Plan is expected to amount approximately €4.1 billion, of which an amount of €3 billion was charged in the income statement of the period ended 30 June 2021, relating to portfolios of projects Phoenix and Vega (€1.6 billion) and Sunrise 1 (€1.4 billion).

The Capital Enhancement Plan

The Capital Enhancement Plan contemplates the completion of a series of concerted and comprehensive capital enhancing actions in 2021 which will further improve the Group's Total Capital Ratio, and enhance the relative structure of its capital position, as it will be used to reduce the quantum of the Bank's capital requirements that must be fulfilled with CET1 capital. The Group completed its Share Capital Increase in April 2021 and issued €600 million perpetual (Additional Tier 1 capital) notes in June 2021, which materially strengthened its capital position and improved its capital adequacy ratios.

The Group's Capital Enhancement Plan also includes additional non-dilutive capital enhancing measures, some of which were completed and some of which are in an advanced phase, which are expected to result in approximately €1 billion of additional regulatory capital. The additional capital enhancing actions include:

- the monetisation (in part via bond exchange with the Hellenic Republic and in part via open market transactions) of sovereign bond portfolios held at amortised cost, along with other trading activity, which were completed in the first quarter of 2021, and resulted in the realisation of €387 million capital gains;

- the sale of the Group's merchant acquiring business to EFT Services Holding B.V., a subsidiary of Euronet Worldwide, a leading international payment services provider, which, upon completion, is expected to lead to an estimated capital gain of approximately €300 million. The Group entered into a binding agreement for the sale of this business on 16 March 2021, and the completion is also subject to customary conditions and approvals. The sale is expected to close early in the fourth quarter of 2021. As part of this transaction, the Group will also receive rebates on future net income generated by the merchant acquiring business; and

- the synthetic securitisation of performing loans, mainly SME and corporate loan portfolios through the purchase of synthetic credit protection from private market participants, aiming to achieve total risk-weighted assets relief of approximately €2 billion, which is expected to be completed in two transactions and which the Group estimates will release €300 million of capital. The Group signed an agreement for the first transaction on 11 March 2021, and the Group completed this securitisation in the second quarter of 2021, leading to a risk-weighted assets relief of approximately €800 million upon completion. The second transaction is intended to be completed by the end of 2021 and is expected to lead to risk-weighted assets relief of approximately €1.2 billion. The aforementioned transactions do not result in accounting derecognition of the underlying loans; however, the Group is provided with capital relief benefit through decreasing its risk-weighted assets.

The success of the Group's NPE Reduction Plan, Capital Enhancement Plan and Transformation Plan (on which elaboration is provided in the following section) depends on various factors, including factors outside the Group's control, as disclosed elsewhere in this Offering Circular. See "*Risk Factors—Risks relating the Group's business—The Group may not be able to complete the remaining parts of the Capital Enhancement Plan on a timely basis, if at all, and this might have an adverse impact on the execution of the NPE Reduction Plan and the implementation of the Transformation Plan*" and "*—Risks relating to the Group's business—The Group may not be able to execute the NPE Reduction Plan on a timely basis, or in its entirety, which may negatively impact the Group's business, financial condition, capital adequacy or results of operations*".

Enhance the Group's stand-alone pre-provision earnings generation by executing its Transformation Plan

The Group's Transformation Plan represents its long-term strategy to improve its profitability by focusing on its core commercial banking activities, executing on its business and retail banking growth strategy, increasing efficiency and reducing operating costs throughout its organisation, improving and expanding its digital platform and implementing comprehensive sustainable banking and environmental, social and governance policies.

The Group aims to provide new financing to retail and corporate customers, which constitute its core businesses, supporting the anticipated recovery of the Greek economy over the coming years. The Group expects that one of the key drivers for Greece's economic recovery will be its allocation of a portion of the €750 billion Next Generation EU funds, granted by the European Union in response to the economic impact of the COVID-19 pandemic. Pursuant to the Next Generation EU plan, €750 billion in the form of grants and loans will be provided to the various member states of the European Union, which will be disbursed between 2021 and 2026. These disbursements will be complemented by an additional approximately €1.1 trillion to be provided to the member states of the European Union under the Multiannual Financial Framework of the European Union for 2021-2027. Of the €750 billion recovery plan, an estimated €32 billion has been allocated to Greece, comprising €19.3 billion in grants and €12.7 billion in the form of loans. In total, Greece is expected to receive approximately €80 billion of funding for the period between 2021 to 2027 through the Next Generation EU plan, the National Development Programme, other European funds and the EU common agricultural policy. The Greek economy, strengthened by these EU funds and its reinvigorated banking system, is expected to capitalise on its already positive pre-COVID-19 trend, showing strong growth in the coming years.

Following the implementation of the NPE Reduction Plan and the Capital Enhancement Plan, the Group will be well-positioned to support this anticipated economic expansion by providing essential leverage to corporate, SME, retail and small business customers. Accordingly, for the period 2021-2024 the Group aims to disburse more than €20 billion of new loans to its customers, of which approximately 75% are intended to be provided to the corporate and SME customer segments and approximately 25% to retail and small business customer segments. This represents a net credit expansion of approximately €10 billion, which the Group expects will enable it to offset a large portion of the interest income that it expects to lose as a result of the significant NPE disposals contemplated by its NPE Reduction Plan. The Group intends to counterbalance the incremental costs associated with the increased debt issuance activity within the MREL framework and the impact from the capital enhancing actions undertaken in 2021 through increased fixed income holdings and further optimisation of deposit pricing.

As part of the Group's business and retail banking growth strategy, the Group is targeting promising customer segments with significant fee generation potential through a differentiated value proposition and servicing model for each customer segment, simplification and automation of products and services, and enhancement of remote sales. The Group also aims to benefit from the untapped potential of businesses through the offering of differentiated service levels based on customer value and the provision of a wide array of additional and ancillary services to seize cross-sell opportunities, while also tapping investment banking opportunities, taking advantage of transaction banking opportunities and focusing on sectors with sustainable liquidity and profitability potential, which offer the Group opportunities to increase its fee income. The Group's goal is to further increase its lending relationships with SMEs from a market share of 50% to more than 65% in the medium term, to achieve an increase in the volume of its digital transactions by approximately 40% and to double its asset management and investment banking fees, on the back of recovering economic, business and mergers and acquisitions activity, accompanied with increased wealth generation and penetration.

With respect to bancassurance, the Group further plans to leverage its distribution network to capitalise on the opportunities presented in this sector. At the end of December 2020, the Group's total managed portfolio was €330 million, recording an increase of 20% compared to 2019, and contributing 12% to its net commission income. The Group's key strategic initiatives in bancassurance consist of expanding its bancassurance product portfolio, maximising the utilisation of its sales force and enhancing the capabilities of its remote sales channels, while leveraging its strategic partnerships with NN Hellas and ERGO Hellas in this area. The above actions will enable the Group to increase its net fee income in the medium term bridging the gap with the European banking sector in terms of net fee income over assets performance.

Through the Group's Transformation Plan, it aims to increase efficiency and simplification throughout its organisation, utilising advanced technology and top-quality human resources. Following a bottom-up approach, the Group has identified 17 initiative themes, more than 200 projects and more than 100 operational key value drivers, including footprint rightsizing and a revamp of its operational model, enhancing sales capabilities through digital and remote sales, information technology (the "IT") transformation, lending processes, redesign, and general and administrative savings.

By executing the Group's Transformation Plan, it aims to reduce operating costs by €120 million in the medium term compared to its operating costs in 2020, increase its focus on revenue generating activities, and enhance productivity by growing volumes and core revenues per full-time equivalent employee. Upon the successful completion of these initiatives, the Group aims to increase its pre-provision profit (the "PPI") to approximately €1.1 billion per annum, representing an approximate 15% increase compared to the respective figure in 2020, and its net interest income to €1.3 billion per annum in the medium term. Through the implementation of the Transformation Plan, the Group also aims to increase its PPI by €150 million compared to its PPI in 2020, up to a target of €1.1 billion per annum in the medium term.

Furthermore, the Group intends to further improve and expand its digital platform, enhancing the customer experience with digital personalised services, and significantly increasing remote sales in the medium term, becoming more efficient and solutions driven by utilising digital assets and

technologies, while also leveraging its extensive physical branch network. The main areas of the Group's focus include the transformation of its physical branch network to accommodate digital tools and experiences, providing customers with a rich portfolio of self-servicing banking services and offering an advisory model that combines best digital experiences, technology and human knowledge, while at the same time leveraging its existing strong partnerships and alliances.

In addition, the Group aims to implement a number of comprehensive sustainable banking and environmental, social and governance (the "ESG") policies in order to contribute towards long-term economic prosperity that takes into account natural resources, through sustainable banking and ESG practices. The Group follows a comprehensive strategy that focuses on optimising new opportunities in sustainable financing. The range of opportunities that the Group will pursue in the medium term are mainly centred around financing and banking in renewable energy, energy saving in buildings, energy storage, net-metering, green transportation and e-vehicles, manufacturing biodegradable products, supporting just transition, as well as advisory for issuance of green bonds, promotion of agriculture and smart farming, green savings accounts, green mortgages, supporting small businesses and professionals' digital transformation, ESG mutual funds and ESG bond issuance. As a member of a core group of the United Nations Environment Programme Finance Initiative (UNEP FI) banks, Piraeus Bank was instrumental in co-developing the Principles for Responsible Banking, while on an EU level it participated in the formation of the Finance for Biodiversity Pledge. Having signed both initiatives, the Bank is now working collectively with signatories on developing methodologies and tools and setting ESG targets aiming, among others, to support sustainable development and the social and cultural capital through donations, grants, sponsorships with social and cultural benefit and aiming at bridging the gap between higher education and the job market.

The Group's ability to implement these initiatives will be contingent on, among other things, the successful execution of its Capital Enhancement Plan and its NPE Reduction Plan, each of which will be subject to certain risks. See "*Risk Factors—Risks relating to the Group's business—The Group may not be able to complete the remaining parts of the Capital Enhancement Plan on a timely basis, if at all, and this might have an adverse impact on the execution of the NPE Reduction Plan and the implementation of the Transformation Plan*" and "*—Risks relating to the Group's business—The Group may not be able to execute the NPE Reduction Plan on a timely basis, or in its entirety, which may negatively impact the Group's business, financial condition, capital adequacy or results of operations*".

Strengthen the Group's balance sheet and improve its liquidity position, while maintaining loan diversification

Following completion of the Capital Enhancement Plan, the Group will continue to make further strengthening its balance sheet a strategic priority through:

- maintaining a broad and diversified deposit base;
- sustaining an appropriate funding mix for its operations;
- originating high-quality and diversified assets; and
- after the completion of its NPE Reduction Plan, the effective management of its remaining NPE portfolio, especially through its strategic partnership with Intrum, aiming to achieve and maintain a low single-digit NPE ratio in the medium term.

Having adjusted the Group's operations and policies to the prevailing market conditions, the Group seek to grow its deposit base at a balanced pace compared to its loan portfolio in the medium term. The Group is seeking to selectively and cost-efficiently attract new deposits through strategies and tools implementing a tailor-made approach, capitalising on the Bank's extensive branch network in Greece (which remains the largest in the country even following the Group's recent rationalisation) and further increase its customer satisfaction rates and individualised service, as well as contribute to the gradual recovery of the Greek economy. During 2020, according to the Group's own estimates, the Group retained its leading share in the market, attracting 28% of new private sector deposits generated in the system.

The Group is also seeking to gradually improve its funding and liquidity structure by utilising other sources of funding, such as the international capital markets, where the Group re-established presence since 2019.

The Group manages its balance sheet both in terms of size and quality, aiming to maintain a flexible asset and liability base. In response to the economic crisis in Greece, the Group has applied, and continue to apply, more stringent underwriting criteria for loans and advances, including avoiding high-risk clients, engaging in the intensive management of credit exposures, focusing on fully secured, low LTV mortgages and minimising unsecured consumer financing exposures, which is a policy that is supported by the credit culture of the Group's management team, as well as by its advanced and strong risk management systems and controls.

The Group is committed to maintaining the diversification of its assets both across customer segments and industries. At the Group level, as at 31 December 2020, corporate and public sector loans accounted for 64.7% of total gross loans, mortgage loans accounted for 27.1% of total gross loans and consumer, personal and credit cards accounted for 8.2% of total gross loans. As of 30 June 2021, corporate and public sector loans accounted for 72.3% of total gross loans, mortgage loans accounted for 21.0% of total gross loans and consumer, personal and credit cards accounted for 6.7% of total gross loans. With respect to industry diversification, the Bank lends to manufacturing, retail, construction, real estate, food service, financial, shipping, energy, transportation, agriculture and other industries from all sectors of the economy. None of these industry groups represented more than 15% of its total loan assets as at 31 December 2020 and only two of the 14 different industry sectors to which it lends represented more than 10% of its total loan assets as at 31 December 2020.

Focus on medium-term financial targets

The Group set financial aspirations to enable the implementation of its strategy and business plan, in the context of the implementation of its NPE Reduction Plan, Capital Enhancement Plan and Transformation Plan. The Group's medium-term financial aspirations include:

- an NPE ratio of below 10% by early 2022 (including the anticipated effect of the COVID-19 pandemic on NPE formation) following the implementation of the Group's NPE Reduction Plan, and lower than 3% in the medium term through further organic and inorganic NPE management actions;
- a net interest margin of at least approximately 1.8% in the medium term, absorbing the impact of the drastic NPE reduction and the impact of the COVID-19 pandemic;
- a net fee margin of approximately 0.6% over assets in the medium term;
- a cost-to-income ratio of below 45% in the medium term, through cost base transformation initiatives and further investments in digitalisation;
- a cost of risk of approximately 60 basis points over the Group's net loans in the medium term, gradually converging to a normalised level that is on par with the EU average, following the implementation of the Group's NPE Reduction Plan;
- a return on average tangible equity of approximately 5% in the short-term and above 10% in the medium term, through business growth, further rationalisation of operating expenses and cost of risk normalisation following the de-risking; and
- a total capital adequacy ratio above16% throughout the short- to medium-term period, while converging to the required level of MREL requirements in the context of the Group's debt issuance plan. Following the execution of the balance sheet derisking and capital enhancement actions, it is expected that a Maximum Distributable Amount of 3 percentage points will be attained. Achieving the Group's targeted capital adequacy ratio will depend on the successful and timely completion of the Group's Capital Enhancement Plan, NPE Reduction Plan, as well as other factors, including factors beyond the Group's control, all of which are subject to risks and uncertainties as disclosed elsewhere in this Offering Circular. See "*Risk Factors—Risks relating to*

the Group's business—The Group may not be able to execute the NPE Reduction Plan on a timely basis, or in its entirety, which may negatively impact the Group's business, financial condition, capital adequacy or results of operations", "*—Risks relating to the Group's business—Risks relating to the Group's business—The Group may not be able to complete the remaining parts of the Capital Enhancement Plan on a timely basis, if at all, and this might have an adverse impact on the execution of the NPE Reduction Plan and the implementation of the Transformation Plan*" and "*—Risks relating to the regulatory framework—The BRRD and the MREL framework may have a material adverse effect on the Group's business, financial condition, and results of operations*".

The sequential timing of the realisation of the individual actions of the Capital Enhancement Plan, and the individual disposals comprising the NPE Reduction Plan, is designed to ensure that the Bank maintains an adequate capital position throughout the process.

Upon the successful completion of the NPE Reduction Plan and the Capital Enhancement Plan, the Group expects to significantly decrease NPEs on its balance sheet, while maintaining a satisfactory capital position above applicable capital requirements. The Group believes that these actions will further facilitate the restoration of investor confidence in the Greek banking system overall, while also enhancing its credibility as a top tier bank among customers and improving its access to the international capital markets. Finally, the successful completion of the Group's NPE Reduction and Capital Enhancement Plans will also enable the Group to implement its long-term strategy on the basis of a stronger financial and balance sheet positions, which will allow it to capitalise on growth opportunities and provide more effective banking services to households and businesses.

Recent developments

The Conversion of the Contingent Convertible Bonds

In connection with its share capital increase in December 2015, the former Piraeus Bank Société Anonyme issued the Contingent Convertible Bonds. Following a final decision of the Governing Council of the ECB, which confirmed that it did not approve the request of the former Piraeus Bank Société Anonyme for the cash payment of the €165 million annual coupon of the Contingent Convertible Bonds for the year 2020, the cancellation of the annual coupon payment for such Contingent Convertible Bonds on 2 December 2020 triggered, pursuant to the terms of the Contingent Convertible Bonds, the conversion on 4 January 2021 of all Contingent Convertible Bonds with an aggregate book value of €2,040 million into 394,400,000 Ordinary Shares. Following the above, the HFSF's shareholding in Piraeus Financial Holdings increased from 26.42% to 61.34% and no Contingent Convertible Bonds remain outstanding on Piraeus Financial Holdings' balance sheet.

The Demerger

On 30 December 2020, the core banking operations of the former Piraeus Bank Société Anonyme were demerged, by way of hive-down, and were contributed into a newly-formed credit institution incorporated under the corporate name "Piraeus Bank Société Anonyme". As a result of the Demerger:

- Piraeus Bank Société Anonyme substituted the former Piraeus Bank Société Anonyme, by way of universal succession, to all the transferred assets and liabilities of the core banking operations of the former Piraeus Bank Société Anonyme;
- the former Piraeus Bank Société Anonyme ceased to be a credit institution, retained activities, assets and liabilities not related to core banking activities, and changed its corporate name to "Piraeus Financial Holdings S.A.";
- Piraeus Financial Holdings S.A. holds 100% of the share capital of Piraeus Bank Société Anonyme and became the direct or indirect ultimate parent holding company for all other companies that, prior to the Demerger, comprised the "Group"; and

- Piraeus Financial Holdings S.A. retained the assets and performs functions, that are not related to the Group's core banking operations.

The Demerger was part of a major transformation designed to achieve the legal separation of the former Piraeus Bank Société Anonyme to allow its management to focus on core banking activities and a significant balance sheet de-risking through the removal of the legacy assets and the reduction of the absolute NPE levels.

Piraeus Financial Holdings' scope of business includes the direct or indirect shareholding in legal and other entities and undertakings, carrying out of insurance intermediation and insurance distribution activities, the provision of insurance and financial advisory services as well as any other similar or related activities. Piraeus Financial Holdings, to that effect, has retained certain of the assets, liabilities and non-banking activities of the former Piraeus Bank Société Anonyme, as well as significant interests in certain securities and certain entities. After the Demerger, the HFSF is entitled to exercise all the special rights it held in the former Piraeus Bank Société Anonyme in both Piraeus Financial Holdings and Piraeus Bank Société Anonyme.

Carve-out and sale of the merchant acquiring business unit

On 16 March 2021, the Bank and Euronet Worldwide signed a binding agreement, comprising the carve-out and the sale of its merchant acquiring business unit, as well as the formation of an exclusive long-term sales and distribution partnership, for an initial period of 10 years. Following the completion of the transaction, Euronet Worldwide will act as the exclusive long-term partner of the Bank for the provision of merchant acquiring services to the customers of the Bank. As part of the transaction, the Bank will also receive rebates on future net fee income generated by the merchant acquiring business. The total consideration for the transaction amounts to €300 million. The transaction is expected to be completed early in the fourth quarter of 2021.

Synthetic securitisation

The Group is in the process of pursuing the synthetic securitisation of performing SME and corporate loan portfolios through the purchase of synthetic credit protection from private market participants, aiming to achieve total risk-weighted assets relief of approximately €2 billion, which is expected to be completed in two transactions. The Group signed an agreement for the first transaction on 11 March 2021, and the Group completed this securitisation in the second quarter of 2021, leading to a risk-weighted assets relief of approximately €800 million. The second transaction is intended to be completed by the end of 2021 and is expected to lead to risk-weighted assets relief of approximately €1.2 billion. The aforementioned transactions do not result in accounting derecognition of the underlying loans; however, the Group is provided with capital relief benefit through decreasing its risk-weighted assets.

Share capital increase of Piraeus Bank Société Anonyme

On 17 March 2021, the General meeting of Piraeus Bank approved the increase of its share capital by the amount of €265,000 through payment in cash, with a pre-emptive right in favour of the existing shareholders and through the issuance of 265,000 new common registered voting shares of a nominal value of €1.00 each and an offer price of €1,000 per share. Payment of the share capital increase amount of €265,000 and the aggregate above par amount of €264,735,000 was certified by the Board of Directors on 24 March 2021. As a result, the share capital of Piraeus Bank amounts to €5,400,265,000 divided into 5,400,265,000 common registered voting shares with a nominal value of €1.00 each.

Share Capital Increase

On 23 April 2021, Piraeus Financial Holdings successfully completed the share capital increase of up to €1,200,000,000, raising net proceeds of €1,301,000,000, issuing 1,200,000,000 new ordinary registered voting shares, each having a nominal value of €1.00 to (i) institutional investors pursuant to a book-building process outside of Greece and (ii) retail and qualified investors in Greece.

Additional Tier 1 Capital Issuance

On 09 June 2021, Piraeus Financial Holdings announced that it had successfully completed the issuance of €600 million Fixed Rate Reset Additional Tier 1 Perpetual Contingent Temporary Write-Down Notes ("AT1 Notes"). The AT1 Notes are perpetual, with no fixed redemption date callable at par in 2026 and they carry a coupon of 8.75%, which is paid semi-annually in arrear. Settlement occured on 16 June 2021 and the AT1 Notes were listed on the Euro MTF Market of the Luxembourg Stock Exchange.

SSM Stress Test Exercise

On 30 July 2021, Piraeus Financial Holdings announced that had successfully completed the 2021 SSM Stress Test Exercise ("exercise") conducted by the European Central Bank. Under the baseline scenario, the fully loaded total capital ratio stood at 17.1%, while the CET1 ratio at 15.0% at year-end 2023. The baseline scenario was capital accretive by approximately 365 basis points versus 2020 as starting point. The adverse scenario resulted in a depletion of approximately 480 basis points for the 3-year period. The respective depletion in the 2018 Stress Test Exercise was approximately 770 basis points. The resulting fully-loaded capital ratios for year-end 2023 were 8.6% for total capital and 6.5% for CET1. The adverse scenario resulted to approximately 610 basis points depletion at the year with the highest impact (2021). The exercise was based on a static balance sheet approach and did not incorporate initiatives post 31 December 2020. Taking into account the € 1.38 billion share capital increase and the € 0.6 billion AT 1 issuance in Q2.2021, the fully loaded ratios under the adverse scenario for 2023 would be adjusted to approximately 13.5% total capital and approximately 10.0% CET1 as per proforma Piraeus calculations.

Share capital decrease of Piraeus Financial Holdings

On 4 August 2021, Piraeus Financial Holdings announced that the Annual General Meeting of its shareholders, held on 22 June 2021, approved inter alia the decrease of the share capital in kind by decreasing the nominal value of each ordinary share issued by the Company by €0.05 and by distributing to its shareholders shares issued by the company under the corporate name "Phoenix Vega Mezz Plc", registered in Cyprus ("Phoenix Vega Mezz"), with a value corresponding to the value of the share capital decrease, at a ratio of 1 share of Phoenix Vega Mezz for every 1 share of the Company already held by its shareholders. Following the aforementioned decision, the Company's total share capital amounts to €1,187,848,861.85 and the total number of shares remains unchanged, i.e. 1,250,367,223 common voting shares of a nominal value of €0.95 each. The Ministry of Development & Investments, by virtue of its decision 70056/25.06.2021, approved the amendment of article 5 of the Company's Articles of Association.

Sunrise I NPE securitisation transaction

On 20 September 2021, Piraeus Financial Holdings announced that the Sunrise I NPE securitisation transaction, corresponding to a gross book value of €7.2bn, had been completed, following the granting of all necessary approvals.

History and development of the Group

Piraeus Financial Holdings was incorporated in Greece on 6 July 1916 as Piraeus Bank Société Anonyme pursuant to the laws of the Hellenic Republic. The ordinary shares of Piraeus Financial Holdings (as former Piraeus Bank Société Anonyme) have been listed on the ATHEX since 1918.

On 23 July 2020, the Board of Directors of the former Piraeus Bank Société Anonyme approved the initiation of the demerger of its core operations by way of hive-down and the contribution of its banking activities into a new credit institution, "Piraeus Bank Société Anonyme" in accordance with the provisions of Article 16 of Law 2515/1997, Article 57, paragraph 3, and Articles 59-74 of Law 4601/2019, as well as Article 145 of Law 4261/2014. On 30 December 2020, the core banking operations of the former Piraeus Bank Société Anonyme were demerged, by way of hive-down, and were contributed into a newly-formed credit institution incorporated under the corporate name "Piraeus Bank Société Anonyme". The amendment of the Articles of Association (including the change of the corporate name of the former "Piraeus Bank S.A." to "Piraeus Financial Holdings

S.A.") was approved by virtue of the decision of the Ministry of Development and Investments No. 731/05.01.2021, which has been registered on the same day in the General Commercial Registry (G.E.MI) with Registration Number 2442564.

Following the Demerger on 30 December 2020, the former Piraeus Bank Société Anonyme ceased to be a credit institution, retained activities, assets and liabilities not related to core banking activities and changed its corporate name to "Piraeus Financial Holdings S.A.". Piraeus Financial Holdings S.A. (i) holds 100% of the share capital of the newly-formed credit institution incorporated under the corporate name "Piraeus Bank Société Anonyme" (which substituted the former Piraeus Bank Société Anonyme, by way of universal succession to all the transferred assets and liabilities of the core banking operations of the former Piraeus Bank Société Anonyme and is currently operating as a credit institution), and (ii) is the direct or indirect ultimate parent holding company for all other companies.

Piraeus Financial Holdings S.A. (former Piraeus Bank Société Anonyme) with a distinctive title "Piraeus Financial Holdings", is registered in Greece (General Commercial Registry number 225501000) and has its registered office at 4 Amerikis Street, 105 64 Athens, Greece. The telephone number is +30 210 3288100. Piraeus Financial Holdings' website is https://www.piraeusholdings.gr. The LEI (Legal Entity Identifier) is M6AD1Y1KW32H8THQ6F76. This website address is included in this Offering Circular as an inactive textual reference only. The information and other content appearing on Piraeus Financial Holdings' website are not part of this Offering Circular.

The following list sets forth the most significant events in the Group's history or the history of the Group:

1916 ● Establishment of Piraeus Bank.

1918 ● The shares of Piraeus Bank were listed on the ATHEX.

1963 ● Piraeus Bank was integrated into the Emporiki Bank Group in Greece.

1975 ● Piraeus Bank came under state control within the Emporiki Bank Group.

1991 ● Privatisation of Piraeus Bank.

1996 ● Establishment of Tirana Bank I.B.C.

1998 ● Acquisition of Macedonia Thrace Bank and Credit Lyonnais Hellas.

● Agreement on the acquisition of a majority stake of Xios Bank (completion in early 1999).

2000 ● Triple merger of Macedonia Thrace Bank and Xios Bank into Piraeus Bank.

2003 ● Merger of (i) ETVA Bank into Piraeus Bank, (ii) Piraeus Investment S.A. into Hellenic Investment Company and (iii) ETVA Leasing into Piraeus Leasing S.A.

2005 ● Acquisition of 99.7% of Piraeus Eurobank A.D. in Bulgaria (renamed Piraeus Bank Bulgaria A.D.).

● Acquisition of 80% of Piraeus Atlas Banka in Serbia (renamed Piraeus Bank Beograd A.D.).

● Acquisition of 69.3% of Egyptian Commercial Bank in Egypt (renamed Piraeus Bank Egypt) and shareholding increased in August 2005 to 87.97%.

2006 ● Merger and operational integration of the Group's branch network in Bulgaria with Piraeus Bank Bulgaria.

2007 ● Acquisition of International Commerce Bank in Ukraine (renamed JSC Piraeus Bank ICB).

● Acquisition of the branch network of Arab Bank in Cyprus.

● Extension of cooperation agreement with ING for providing life bancassurance services.

● Successful completion of the Group's €1.35 billion share capital increase.

2008 ● Establishment of Piraeus Bank Cyprus Ltd.

2009 ● Issuance of redeemable preference shares without voting rights to the Hellenic Republic under Law 3723/2008 for a total amount of €370 million.

2010 ● Creation of winbank Direct (www.winbankdirect.gr), the first online banking platform in Greece addressing the entire Greek market, including non-existing customers of Piraeus Bank.

● Establishment of Pillar II programme of the Hellenic Republic Bank Support Plan (securities issued by the Bank with the guarantee of the Hellenic Republic) under Law 3723/2008.

2011 ● Successful completion of a share capital increase for €807 million.

● Issuance of additional redeemable preference shares without voting rights to the Hellenic Republic under Law 3723/2008 for a total amount of €380 million.

2012 ● Participation in the PSI, with the repurchase of all of the Group's Greek government bonds, resulting in an overall impairment recognised in financial year 2011 and amounting to €5.9 billion before taxes.

● Acquisition of certain assets and liabilities of ATEbank.

● Acquisition of Geniki Bank, the Greek subsidiary of Société Générale.

● Capital advance of €6.25 billion by the HFSF and delivery of a commitment statement of €1.1 billion (of which €570 million was related to the ATEbank Acquired Business), in view of its participation in the programme for the capital enhancement of the Bank.

● Participation in the Buy-Back Programme.

2013 ● Acquisition of the Greek operations of the Cypriot Banks.

● Acquisition of MBG, the Greek subsidiary of BCP.

● Sale of Piraeus Financial Holdings' shareholdings in ATE Bank Romania S.A. (93.27%) for €10.3 million.

● Acquisition of the custody, settlement and related services in Greece of Bank of Cyprus, Cyprus Popular Bank and Hellenic Bank and the mutual funds distribution business of Cyprus Popular Bank.

● Successful completion of the Group's recapitalisation through the 2013 share capital increase, completed in July 2013 in the context of the Recapitalisation Plan: the Group raised €8.4 billion, of which €1.4 billion of private funds, achieving significantly above the 10% minimum requirement of private sector participation (20%) (the "2013 Share Capital Increase").

2014 ● On 18 March 2014, Piraeus Financial Holdings' subsidiary Piraeus Group Finance Plc issued €500 million 5% senior unsecured bonds due 2017 listed on the Luxembourg Stock Exchange.

● Successful completion of the Group's 2014 share capital increase: the Group raised €1.75 billion of private funds through contribution in cash, issuance of ordinary registered shares and cancellation of the preemption rights of existing shareholders (the "2014 Share Capital Increase").

● Redemption of the Hellenic Republic's preference shares of €750 million with the proceeds of the 2014 Share Capital Increase.

● Announcement of the sale of ATEbank Insurance S.A. to Ergo Insurance Group, a subsidiary of Munich Re. The transaction was completed in 2016.

● Merger of Geniki Bank S.A. into the Bank.

2015 ● Acquisition of certain assets and liabilities of Panellinia.

● Agreement between Piraeus Bank and Al Ahli Bank of Kuwait K.S.C.P. for the disposal of Piraeus Financial Holdings' participation (98.5%) in Piraeus Bank Egypt S.A.E., for $150 million.

● Successful completion of the Group's 2015 share capital increase: the Group raised €2,601 billion of private funds and HFSF funds through payment in cash, liabilities' capitalisation and contribution in kind, issuance of ordinary registered shares and cancellation of the preemption rights of existing shareholders (the "2015 Share Capital Increase").

2016 ● Announcement of the sale of shares in Piraeus Financial Holdings' subsidiary in Cyprus, Piraeus Bank Cyprus Ltd.

2017 ● As the first Greek bank, the Group launched the website Properties4sale.gr, achieving

the sale of REO assets through online and publicly accessible auctions.

- Announcement of renewal of the bancassurance agreement with NN Hellas for 10 years with a further five-year extension possibility pursuant to which the Group continues to offer on an exclusive basis the life and health products of NN Hellas to the Group's customers.
- Announcement of the sale of the Serbian banking and leasing operations of Piraeus Bank Beograd to Direktna Banka A.D. to a local Serbian banking group that has been strongly growing its presence in the market which sale completed in 2018.
- Issuance of a five-year €500 million covered bond launched under the Group's €10 billion Covered Bond Programme representing the Group's first covered bond issuance and the first time that supranational financial organisations have invested in covered bonds issued by Greek banks since the beginning of the financial crisis.
- Announcement of the sale of Piraeus Financial Holdings' subsidiary Olympic Commercial and Tourism Enterprises (Olympic), which holds the Avis Rent a Car, Budget Rent a Car and Payless master franchises for Greece, which was completed in 2018.
- Announcement of agreement with J.C. Flowers & Co. for the sale of Piraeus Financial Holdings' entire shareholding stake in Piraeus Bank Romania, Piraeus Financial Holdings' banking subsidiary in Romania which was completed in 2018.

2018
- Membership of the Global Federation of Competitiveness Councils (GFCC), a network of leaders and organisations committed to the implementation of competitiveness strategies to drive innovation, productivity and prosperity.
- Announcement of the sale of portfolio of non-performing and denounced corporate NPEs secured with real estate collateral with a gross book value of €1.4 billion to Bain Capital Credit LP and portfolio of non-performing and denounced unsecured retail consumer and credit card loans with a gross book value of €400 million to APS Investments S.à r.l.

2019
- Completion of the sale of Piraeus Financial Holdings' 98.8% shareholding in its subsidiary in Albania, Tirana Bank Sh.a. to Balfin Sh.p.k. and Komercijalna BankaAD.
- Announcement of sale of portfolio of corporate NPEs with a gross book value of €507 million to an entity affiliated with Davidson Kempner Capital Management LP.
- Announcement of strategic partnership with Intrum Hellas for the management of NPEs and REOs pursuant to which the Group has established a market-leading independent non-performing assets servicing platform in Greece.
- Announcement of successful completion of book building process for the issuance of €400 million subordinated (Tier 2 capital) notes due 2029 under the Group's €25 billion Euro Medium Term Note Programme.

2020
- Announcement of successful completion of book building process for the issuance of €500 million subordinated (Tier 2 capital) notes due 2030 under the Group's €25 billion Euro Medium Term Note Programme.
- Completion of the Demerger.

2021
- Conversion of the Contingent Convertible Bonds into ordinary shares.
- Completion of the Share Capital Increase
- Announcement of successful completion of book building process for the issuance of €600 million perpetual (Additional Tier 1 capital) notes.

As at 31 December 2020, the Group had a network of 500 branches (484 in Greece and 15 branches in Ukraine and one branch in Frankfurt), whilst its ATM network consisted of 1,888 ATMs. As at 30 June 2021, the Group had a network of 490 branches (474 in Greece and 15 branches in Ukraine and one branch in Frankfurt). As at 31 December 2020, its customer deposits amounted to €49.6 billion (€51.2 billion as at 30 June 2021) and loans and advances to customers (net of provisions) at amortised cost were €39.6 billion (€33.2 billion as at 30 June 2021).

Organisational structure

Following the Demerger on 30 December 2020, Piraeus Financial Holdings became the direct or indirect ultimate parent holding company of all operating subsidiaries in the Group (including Piraeus Bank Société Anonyme, Piraeus Agency Solutions S.A. and JSC Piraeus Bank ICB), while Piraeus Bank Société Anonyme, Piraeus Group Holdings' wholly-owned subsidiary, became the principal credit institution with responsibility for banking operations in the Group. None of Piraeus Financial Holdings' subsidiaries (other than Piraeus Bank Société Anonyme) represents more than 10% of Piraeus Financial Holdings' equity (assets - liabilities) or 10% of Piraeus Financial Holdings' consolidated results after tax. See Note 24 of the Group's annual audited financial statements for the year ended 31 December 2020 for a list of Piraeus Financial Holdings' subsidiaries and associate companies, which the Group defines as all entities over which the Group exercises control or has significant influence in accordance with IFRS.

International operations

With respect to the Group's international operations, at the end of 31 December 2018, the Group had completed its commitments agreed under the Restructuring Plan and among other actions it had divested its international operations and it now focuses on its core operations in Greece. The Group's international exposure is now limited to one branch in Frankfurt and a small presence in Ukraine through a local subsidiary.

In 2018, the Group's two subsidiaries, in Albania (Tirana Bank I.B.C. S.A.) and in Bulgaria (Piraeus Bank Bulgaria AD) were classified as discontinued operations (30 June 2018), while on 23 April 2018, the sale of Piraeus Bank Beograd A.D. was completed following the receipt of the necessary regulatory approvals. In addition, the sale of Piraeus Bank Romania was completed on 29 June 2018.

As at 31 December 2020, the Group operated a network of 500 branches (484 in Greece and 15 branches in Ukraine and one branch in Frankfurt), whereas as at 30 June 2021 it operated a network of 490 branches (474 in Greece and 15 branches in Ukraine and one branch in Frankfurt). The Group's headcount abroad totalled 371 employees as at 31 December 2020 and 339 employees as at 30 June 2021.

Property and equipment

As at 31 December 2020 the net book value of the Group's property and equipment amounted to €995 million, of which €607 million related to land and buildings.

Employees

As at 30 June 2021, the Group's headcount totalled 10,132 employees in the continuing operations, of which 9,793 were employed in Greece and 339 abroad. As at 30 June 2021, the Group's headcount including discontinued operations totalled 11,068.

On 31 December 2020, the Group's headcount totalled 10,429 employees in the continuing operations, of which 10,008 were employed in Greece and 371 abroad. The Group's headcount including discontinued operations totalled 11,395 as at 31 December 2020.

As at December 2019, the number of employees from continuing operations was 11,615, of which 11,137 were employed in Greece and 418 abroad.

Among the Group's total employees, 58% are female and 42% male. The average age of the Group's employees is 45 years. The age distribution of employees is a major advantage for the Group. The age composition favours the introduction and implementation of changes in technology, methods and targets, as 82% of people are up to 50 years old. At the same time, the Group's highly-trained employees provided invaluable support in offering efficient customer guidance and services in the financially critical year that elapsed. The percentage of employees who are holders of university degrees or/and postgraduate titles reaches 76% in Greece, 54% of the Group's employees are occupied in the bank branches and the other 46% in the administration units. At Group level, it is 51% and 49% respectively. The Group believe that the quality of its human resources is a key factor in achieving the Group's strategic goals, and the Group sees human resource management

as a comprehensive set of actions and operations aimed at acquiring, retaining and utilising skilled employees who successfully and productively fulfil their roles. The Group also seeks to emphasise the promotion and enhancement of morality, trust, devotion, team spirit and diversity in the workplace. These values ensure equal opportunities in continuous employee development, as well as non-discriminatory practices in the recruitment process through the implementation of well-defined candidate selection systems.

In July 2019, the Group announced a voluntary exit scheme ("**VES"**) for the Group's employees with a total cost of €36 million. In October 2020, the Group announced a new voluntary exit scheme for targeted groups of the Group's employees. Voluntary exits as at 31 December 2020 reached 8.3% of the Group's workforce, whereas extra initiatives for extra FTE rationalisation are being implemented in 2021. Total cost for the full-time equivalent rationalisation of 2020 amounted to €148 million. Following the successful implementation of the 2020 VES, the Group initiated in June 2021 a new VES for targeted groups of employees, in absolute alignment with its strategic objectives and transformation priorities. Target of the new scheme is to achieve a release of additional circa 1,000 FTEs. As of 30 June 2021 the provision established in relation to VES amounted to € 90 million, out of which € 40 million were recognized within the first semester 2021.The Group believes that it is in compliance with relevant laws, applicable contractual commitments and collective bargaining agreements. The Group's senior management meets with the representatives of the trade unions at least once a month and informs them of the activities of the Group, including significant operational changes. All of the Group's employees receive salaries and other benefits in accordance with contractual arrangements and collective bargaining agreements.

Share capital of Piraeus Financial Holdings

The shares issued by Piraeus Financial Holdings are ordinary registered shares with voting rights, the nominal amount of which is expressed in euro (the "Ordinary Shares"); the Ordinary Shares are dematerialised, listed on the ATHEX and trade in Euro in the Main Market of the Regulated Securities Market of the ATHEX under ISIN (International Security Identification Number) GRS014003032. Trading unit is one (1) share.

As at 31 December 2020, the share capital of Piraeus Financial Holdings amounted to €2,619,954,984, consisting of 436,659,164 Ordinary Shares, with a par value of €6.00 each. Moreover, as a result of the conversion of the Contingent Convertible Bonds and completion of Piraeus Financial Holdings' share capital increase inherent thereto, as at 5 January 2021, the share capital of Piraeus Financial Holdings amounted to €4,986,354,984 divided into 831,059,164 Ordinary Shares. In addition, following completion of its Reverse Split and Share Capital Decrease approved by the Extraordinary General Meeting on 7 April 2021, the outstanding paid-up share capital of Piraeus Financial Holdings amounted to €50,367,223 and was divided into 50,367,233 Ordinary Shares, each having a nominal value of €1.00. Furthermore, following the report dated 29 April 2021 prepared by PricewaterhouseCoopers S.A. in connection with the certification of the payment for the amount raised from the Share Capital Increase, in accordance with Article 20, paragraph 6 of Law 4548/2018, and the decision of the Board of Directors dated 29 April 2021 certifying the payment of the amount of the Share Capital Increase, the total share capital of Piraeus Financial Holdings as of 30 June 2021 amounted to €1,250,367,223.00 and is divided into 1,250,367,223 Ordinary Shares, of a nominal value of € 1.00 each.

On 4 August 2021, Piraeus Financial Holdings announced that the Annual General Meeting of its shareholders, held on 22 June 2021, approved inter alia the decrease of the share capital in kind by decreasing the nominal value of each ordinary share issued by the Company by €0.05 and by distributing to its shareholders shares issued by the company under the corporate name "Phoenix Vega Mezz Plc", registered in Cyprus ("Phoenix Vega Mezz"), with a value corresponding to the value of the share capital decrease, at a ratio of 1 share of Phoenix Vega Mezz for every 1 share of the Company already held by its shareholders. Following the aforementioned decision, the Company's total share capital amounts to €1,187,848,861.85 and the total number of shares remains unchanged, i.e. 1,250,367,223 common voting shares of a nominal value of €0.95 each.

No tender offer has been submitted for the acquisition of the Ordinary Shares, and hence the provisions relating to the squeeze out and sell out of the minority shareholders of Piraeus Financial Holdings do not apply at the time of this Offering Circular. As Piraeus Financial Holdings is a significant supervised entity within the meaning of Article 6, paragraph 4 of Regulation (EU) No 1024/2013, a change of control of Piraeus Financial Holdings and, as a result, Piraeus Bank, is subject to prior approval by the ECB through the SSM. For a description of the applicable regulatory framework, please see "*Regulatory Considerations*".

PIRAEUS BANK S.A.

For the purpose of this section of the Offering Circular references to the "Group" shall be to Piraeus Bank Société Anonyme and its consolidated subsidiaries.

Name and legal form of Piraeus Bank

Piraeus Bank Société Anonyme was incorporated in Greece on 30 December 2020 pursuant to the laws of the Hellenic Republic at completion and as a result of the Demerger.

Piraeus Bank is registered in Greece (General Commercial Registry number 225501000) and has its registered office at 4 Amerikis Street, 105 64 Athens, Greece. The telephone number is +30 210 328 8000. Its website is https://www. piraeusbank.gr.

Overview

Piraeus Bank Société Anonyme is a universal bank, offering a wide range of financial services to retail and corporate clients, including retail banking, corporate and investment banking, small business servicing, e-banking, capital markets and related services, brokerage services, deposits and asset management, personal and private banking, treasury services and other ancillary services, such as real estate services, bancassurance, leasing and factoring.

In Greece, Piraeus Bank Société Anonyme is among the leading providers of banking services and credit to retail customers and the leading provider of banking services and credit to corporate clients. In addition, Piraeus Bank Société Anonyme is a leading provider of banking services to the Greek agricultural sector, offering innovative products such as contract farming and facilitating operations subsidised by the EU. The Group is also one of the leading advisers in capital markets and investment banking and leasing and shipping finance, as well as one of the market leaders in electronic and green banking in Greece.

Piraeus Bank Société Anonyme manages its business through the following operating segments: (i) Retail Banking, which provides services to the mass, affluent, private banking, small business (businesses with annual turnover not exceeding €2.5 million) and public sector customer segments and distribution networks; (ii) Corporate and Investment Banking, which provides services to the large corporate (with annual turnover exceeding €50 million), SME (with annual turnover between €2.5 million and €50 million), shipping and agricultural customer segments; (iii) PFM, which covers fixed income, foreign exchange, treasury and asset management activities and institutional clients; (iv) the NPEMU manages NPEs assessed as non-core business, irrespectively of whether these exposures are serviced by the Group or third parties and (v) Other, which includes all management-related activities not allocated to specific business segments, including, for example, real estate services, and all funding transactions approved by the Group's Asset Liability Committee.

Piraeus Bank Société Anonyme has approximately 5.5 million bank customers (with an average duration of client relationship of approximately 13 years) through a network of 521 branches, comprising 484 branches, 11 light servicing points and 10 e-branches in Greece and 1 branch in Frankfurt as at 31 December 2020. As at 30 June 2021 Piraeus Bank Société Anonyme's network comprised of 474 branches in Greece and 1 branch outside of Greece. In line with the Group's rationalisation plan and the Group's strategy to refocus on its core business, which consists of the Group's retail and commercial banking activities and performing exposures in Greece, Piraeus Bank Société Anonyme successfully divested all of its international operations.

Business segment analysis

The Group manages its business based on the following business segments:

- **Retail Banking**—This segment includes the retail banking operations of the Group that are addressed to retail customers, as well as small businesses, the public sector core customers and other relevant retail networks (deposits, loans, working capital, imports-exports, letters of guarantee, etc.).
- **Corporate Banking**—This segment includes the corporate banking operations of the Group, addressed to large corporates, shipping, SME and agricultural core customer

segments, which are serviced centrally due to their specialised needs (deposits, loans, syndicated loans, project financing, working capital, imports-exports, letters of guarantee, etc.).

- **Piraeus Financial Markets ("PFM")**—This segment includes activities related to the fixed income, foreign exchange, treasury activities, including the management of the interest rate gap resulting from all banking activities), and institutional clients of the Group.
- **NPE MU**—This segment includes the management of any NPE lending exposures assessed as non-core business, irrespectively of whether the said exposures are serviced by the Group or third parties. The accrued fees payable to Intrum for servicing the Group's NPE portfolio are recognised within this reportable segment.
- **Other—**This segment includes other operations of the Group that are not included in the above segments. In particular, it includes all management related activities not allocated to specific customer segments and all funding transactions approved by the Assets/Liabilities Management Committee ("ALCO"). Following the most recent business segment architectural changes, this segment now includes the management of REOs, non-client related equity participations of the Group and international banking.

On the basis of IFRS 8, business segments are identified in the internal reports that are sent to the Executive Committee and which are used to monitor and evaluate each segment's performance. The changes in the results by segment are critical to understanding the performance of the business.

Piraeus Bank financial information

The tables below present the consolidated interim Income Statement for the 6 month period ended 30 June 2021 and the consolidated Financial Position of Piraeus Bank S.A as at 30 June 2021 and 31 December 2020.

Consolidated statement of income data

	6 month period ended
(€ in millions)	**30 June 2021**
Continuing operations	
Interest and similar income	889
Interest expense and similar charges	(187)
Net Interest Income	**702**
Fee and commission income	195
Fee and commission expense	(40)
Net Fee and Commission Income	**155**
Dividend income	1
Net gain/(losses) from financial instruments measured at FVTPL	163
Net gain/(losses) from financial instruments measured at FVTOCI	79
Net gain/(losses) from derecongition of financial instruments measured at amotised cost	320
Net other income/(expenses)	27
Total Net Income	**1,446**
Staff costs	(229)
Administrative expenses	(197)
Depreciation and amortisation	(55)
Total Operating Expenses Before Provisions	**(480)**
Profit Before Provisions, Impairment and Income Tax	**966**

(€ in millions)	6 month period ended 30 June 2021
ECL impairment losses on loans and advances to customers at amortised cost	(258)
Impairment (losses)/releases on other assets	(5)
ECL impairment (losses)/releases on debt securities measured at FVTOCI	(10)
Impairment on subsidiaries and associates	(23)
Impairment of property and equipment and intangible assets	(2)
Impairment on debt securities at amortised cost	(19)
Other provision (charges)/releases	5
Share of loss of associates and joint ventures	(7)
Profit/(Loss) Before Income Tax	**647**
Income tax benefit/(expense)	(108)
Profit for the period from Continuing Operations	**539**
Discontinued Operations:	
Profit/(loss) after income tax from discontinued operations	(2)
Profit/(Loss) for the period	**537**
From continuing operations:	
Profit/(loss) attributable to equity holders of the parent	538
Non controlling interest	1
From discontinued operations:	
Profit/(loss) attributable to equity holders of the parent	(2)
Non controlling interest	-

Consolidated balance sheet data

(€ in millions)	As at 31 December 2020	As at 30 June 2021
Cash and balances with central banks	8,886	12,518
Due from banks	1,213	1,361
Financial assets at FVTPL	353	726
Financial assets mandatorily measured at FVTPL	136	146
Derivative financial instruments	507	581
Reverse repos with customers	8	-
Loans and advances to customers at amortised cost	38,115	33,083
Loans and advances to customers mandatorily measured at FVTPL	57	50
Financial assets measured at FVTOCI	2,882	2,658
Debt securities at amortised cost	4,964	8,623
Assets held for sale	181	212
Assets held for distribution	-	3,793
Investment property	1,119	1,137
Investments in associated undertakings and joint ventures	268	235
Property and equipment	990	957
Intangible assets	279	280
Current tax assets	154	161
Deferred tax assets	6,285	6,226
Other assets	3,316	3,284
Assets from discontinued operations	112	116
Total Assets	**69,825**	**76,148**

(€ in millions)	As at 31 December 2020	As at 30 June 2021
Due to banks	11,366	13,781
Due to customers	50,007	51,196
Derivative financial instruments	460	457
Debt securities in issue	471	471
Other borrowed funds	721	742
Current income tax liabilities	3	5
Deferred tax liabilities	30	31
Retirement and termination benefit obligations	142	119
Provisions	201	232
Other liabilities	1,182	1,205
Liabilities from discontinued operations	31	32
Total Liabilities	**64,614**	**68,269**
Equity		
Share capital (ordinary shares)	5,400	5,402
Share premium	-	1,565
Other equity instruments	-	600
Other reserves and retained earnings	(295)	202
Capital and Reserves Attributable to Equity Holders of the parent	**5,105**	**7,769**
Non-controlling interest	106	110
Total Equity	**5,211**	**7,879**
Total Liabilities and Equity	**69,825**	**76,148**

Overview of the Group's products, services and activities

The Group provides a wide variety of banking products and services to retail and corporate customers. The Group is active in retail banking, corporate banking, shipping, investment banking, e-banking, agricultural and green banking, and provide services in equity brokerage and asset management.

The majority of the Group's banking business is in Greece and includes retail, commercial and investment banking, as well as asset management. The Group's international banking operations solely include one branch in Frankfurt.

The following table sets out the Group's loans and deposits as at 31 December 2020 and as at 30 June 2021:

(€ in millions)	As at 31 December 2020	As at 30 June 2021
Loans and advances to customers at amortised cost (net carrying amount).....	38,115	33,083
Due to customers.....	50,007	51,196

As at 30 June 2021, net loans to the Group's customers amounted to € 33.1 billion, from €38.1 billion as at 31 December 2020.

Retail banking

General

The Group conducts its retail banking activities in Greece through its branch network and its e-branches, as well as through its alternative delivery channels, such as its online banking platform, winbank. The Group's Retail Banking customer segments such as mass retail, affluent banking and small business banking offer a wide range of different types of deposit, credit and investment products, including savings or current accounts, term deposits, investment products, consumer loans and mortgages, credit cards, bancassurance products and insurance brokerage, as well as a wide spectrum of banking services.

The Group's main distribution channels

As at 31 December 2020, the Group had a network of 484 branches in Greece (474 branches as at 30 June 2021). The Group's Greek branch network covers all of the main urban, suburban and rural areas in Greece. Moreover, the Group's Greek operations have working relationships with more than 900 banks from all over the world, offering services to its customers in domestic and cross-border transactions.

The table below presents the geographical location of the Group's domestic branch network as at 30 June 2021:

Region of Greece	**Branches**	**%**
Attica	161	34%
Central Macedonia	80	17%
Peloponnese	29	6%
Western Greece	27	6%
Crete	34	7%
Eastern Macedonia and Thrace	26	5%
Continental Greece	27	6%
Thessaly	26	5%
Southern Aegean Sea	19	4%
Epirus	14	3%
Western Macedonia	12	3%
Ionian Sea	8	2%
Northern Aegean Sea	11	2%
Total	**474**	**100%**

The Group has the largest ATM network in Greece, with a market share of over 32% as at 30 June 2021. The Group's ATM network in Greece as at 31 December 2020 consisted of 1,884 ATMs (out of a total of 5,871 ATMs), of which 736 ATMs were located at its branches (on-site ATMs) and 1,148 ATMs were located at other select public and commercial spots (off-site ATMs).

The Group also has an extensive network of automated service machines (APS), with 539 machines throughout Greece as at 30 June 2021, both for its customer transactions and for use by the general public (for payments of public utility bills, VAT payments, social security contribution payments, purchases of prepaid mobile talk time, purchases of tickets for theatre performances, etc.).

The ATM network (which is accessible to customers through the use of debit cards) is linked to the DIAS Interbank Payment System, through which all of the interbank transactions in relation to retail payments through the Greek banking system including funds transfers, cheque payments, automated interbank transactions through ATMs, payroll and pension payments and others are processed, cleared and settled.

As at the date of this Offering Circular, the Group's branch network in Greece consisted of 412 branches.

Retail deposit and investment products

The Group offers its retail customers a wide range of depositary and investment products in euro and other major foreign currencies. The Group's retail deposit balances amounted to €36.5 billion as at 31 December 2020.

Retail lending

The Group places particular effort in the enhancement of its mortgage customer services, through a careful analysis of customers in its integrated mortgage portfolio.

At 31 December 2020, the Group's total portfolio of consumer credit products, including mortgages, consumer personal and other loans, and credit cards was €14.2 billion or 31.4% of the total loan portfolio.

The following table presents the gross carrying amounts of the Group's retail portfolio as at 31 December 2020:

(€ in millions)	**As at 31 December 2020**
Mortgages	10,576
Consumer/personal loans and other loans	2,935
Credit cards	685
Total	**14,196**

Mortgage lending

The Group offers a wide range of mortgage products, with floating, fixed or a combination of fixed and floating interest rates to finance the purchase of property, construction, repair, completion or the purchase of land or remortgaging.

As at 31 December 2020, the Group's portfolio of mortgage loans amounted €10.6 billion.

Consumer, personal and other loans and credit cards

The Group offers a wide range of personal consumer loans and credit cards. The Group's consumer loan and credit cards portfolio amounted to €3.6 billion as at 31 December 2020. The Group is one of the main card issuers in Greece with approximately 5.3 million cards in circulation as at the end of 2020. During the year 2020, the value of card transactions reached €10.7 billion with 375 million card transactions, recording an annual increase of 13%. The total value of the credit card withdrawals was €12.1 billion with 60 million card transactions.

The Group's credit card balances amounted to €685 million as at 31 December 2020.

The Group has upgraded its products with contactless transaction technology to enhance its position as a provider of high-tech and innovative products and improve its customers' experience.

Commercial and corporate banking

General

In Greece, the Group has historically held a strong position in commercial financing and corporate banking. The Group offers its corporate clients a wide range of products and services, including financial and investment advisory services, deposit accounts, loans (denominated in both euro and other currencies), foreign exchange, insurance products, custody arrangements and trade finance services, leasing and factoring.

Corporate deposits

Corporate deposit balances amounted to €13.4 billion as at 31 December 2020. Additionally, in 2020, the Group held more than 596,000 payroll accounts in both the private and public sectors in Greece.

Corporate lending

The Group's business financing maintains significant diversity in all sectors of the economy, with an emphasis on SMEs (enterprises with an annual turnover between €2.5 million and €50 million). It offers corporate accounts with overdraft facilities, foreign currency loans, variable rate loans and currency swaps and options for corporate customers.

The Group's commercial lending is primarily in the form of credit lines, which are generally at variable rates of interest. In addition, the Group provides letters of credit and guarantees for its clients. The Group lends to all corporate sectors, with particular emphasis on trade, industry, construction, tourism and shipping.

Total loans and advances to corporates (including large corporates, SMEs and public sector) amounted to €31.0 billion as at 31 December 2020.

The table below provides information on the Group's total gross carrying amount of the corporate loan portfolio as at 31 December 2020:

(€ in millions)	**As at 31 December 2020**
Large corporate	14,833
SMEs	14,423
Public sector	1,718
Total	**30,974**

Large corporate

The scope of the Group's activities includes providing banking services, loans for complex transactions, project finance, real estate finance, and advisory services in connection with debt restructuring and large infrastructure projects (infrastructure advisory).

The Group's corporate loan portfolio reached €31.0 billion as at 31 December 2020, through the provision of direct and indirect financing to corporates and sustainable investment projects. The Group focused particularly on wholesale and retail trade, the industrial and energy sectors. The Group's new loans disbursements amounted to €2.3 billion in 2020.

The Group's large corporate unit focuses both on strengthening its existing customer relationships and on further expanding its customer base within all production sectors of the economy, with emphasis on sustainable development, innovation and entrepreneurship.

Loan syndications

The loan syndications unit is one of the Group's central units, which serves the entire syndicated loan portfolio, covering all the business loan units. Loan syndications unit aims to create added value through organising, structuring and monitoring syndicated loans and to act as agent bank. The Group has been assuming the role of lead arranger and agent for corporate syndicated bond loans, structured financing for infrastructure and energy projects, convertible bond loans, debt restructurings and merger and acquisition financing.

As at 31 December 2020, the Group was involved in 17 syndications for a total amount of €1.2 billion.

Shipping finance

The Group has have historically provided financing for many of the largest Greek shipping companies, including Greek coastal shipping. The Group provides assistance to its customers in the implementation of their business plans, and it continues to engage in prudent risk management for the benefit of Piraeus Financial Holdings' shareholders and customers. Services provided through shipping finance mostly relate to financing the purchase or building of ships, financing the operating needs of shipping companies and issuing letters of guarantee.

The Group's loans and advances to shipping companies relate to the financing of vessels with a gross carrying amount of €1.9 billion as at 31 December 2020.

SMEs and small businesses

The provision of banking products and services to SMEs (small and medium-sized enterprises with an annual turnover between €2.5 million and €50 million) is the principal focus of the Group's corporate and commercial banking activities. The Group operates 10 specialist Business Centres that are conveniently located across Greece alongside the Bank's branch network, providing specialised products and services to SMEs. The Bank's small business customer segment covers business customers with an annual turnover of less than €2.5 million and business loans of less than €1 million.

The Group's activities in this market segment offer it opportunities to promote new products and services.

Through the specialised small business customer segment, the Group has established a presence in the banking market for small businesses and manage a number of development programmes (guaranteed and co-financed).

In 2020, the Group's small business customer segment focused on the expansion of its portfolio which amounted to €3.3 billion, providing financing for over 9,500 customers with a particular emphasis on loan provisions to healthy businesses and professionals through the specialised, co-funded programmes of the Hellenic Fund for Entrepreneurship and Development (the "ETEAN") (in particular, through the actions "Entrepreneurship Fund - Business Restart – intermediate" and "Entrepreneurship Fund II - Business Financing"), thus actively supporting entrepreneurship. Loans disbursed to small businesses through these state sponsored programmes amounted to €400 million for 2020.

Agricultural banking

Piraeus Bank Société Anonyme is a leading bank in the Greek agricultural sector, with a market share of 39.2% in agricultural loans as at the date of this Offering Circular, and has strategically selected an integrated approach in order to support this sector. The broad range of the products offered to farmers include deposit accounts, funding tools to cover farmers' needs for working capital, purchase of land, equipment and a first residence, as well as insurance product packages which are fully adapted to their needs.

The Group has been involved in numerous programmes and initiatives providing liquidity and supporting Greek agriculture. Since 2012, following the acquisition of ATE Bank's business and pursuant to consecutive international competitions, the Group has been assigned the OPEKEPE seasonal funding facility, a bridge financing facility that provides EU funds to Greek farmers. The OPEKEPE seasonal funding facility is of a seasonal nature and serves as bridge financing, with disbursements occurring every year during the fourth quarter and repayments on the first quarter of the following year. Under the OPEKEPE seasonal funding facility, the Group provided disbursements of €1.5 billion as at 31 December 2020, which was repaid in the first quarter of the following year. The disbursement covered subsidies to approximately 700,000 Greek farmers.

Development and sustainable banking

The Group's development and sustainable banking unit and bank relations (formerly known as "green banking & development programmes") specialises in sustainable finance. It mainly focus on designing products and services for the financing and support of innovative ideas in the field of development, environmentally and socially responsible planning, and projects providing access to finance to under-privileged groups. The unit also oversees the relationships between the bank and other international or national development agencies such as the Hellenic Development Bank (previously known as ETEAN), the EIB, the European Investment Fund (EIF), the Institute for Growth (IfG), the EBRD, the Export Credit Insurance Organisation. These collaborations have provided a wide range of financing tools which facilitate Greek businesses' access to finance and reinforcement of their financial activity. Additionally, the unit has proceeded with the creation of the first sustainability-linked loans providing a series of incentives for enterprises that incorporate specific

ESG goals in their policy and operations. This is encapsulates the Bank's strategy for supporting green investments and financing projects that contribute to the transition to a sustainable economy.

Green business and green banking products

The Group actively supports all of the key sectors of "green entrepreneurship" in response to challenges and requirements relating to climate change. Since 2006, the Group has offered specially designed "green banking" products to support various areas of the environmental and renewable energy business sectors.

Total funding to individuals and businesses for green products as at 31 December 2020 amounted to €1.5 billion measured at active loan balances. The majority of the loans was allocated to renewable energy sources projects, namely photovoltaic systems installed on rooftops and on land-wind farms, and small hydroelectric power stations and biomass/biogas projects. The funding for individuals stood at €83 million while €1.4 billion was allocated to business finance.

A great portion of the individuals that the Group serves through its green banking products, participate in the "Energy Saving at Home II" programme, which has been developed by the Ministry of the Environment, Energy and Climate Change for the purposes of offering a set of financial incentives, with co-financing from the European Union, for the implementation of energy efficiency upgrading interventions in residential buildings. The Group acquired a leading share of 45% in phase A of the above funding programme and held a market share of approximately 42% in loan applications in phase B. In 2020, Piraeus Bank participated in the new programme "Energy efficiency for smart homes" (with a budget of €850 million) obtaining more than 1/3 of the submitted applications.

The Group was honoured with the "2020 Sustainable Company" award, being recognised as one of "The Most Sustainable Companies in Greece in 2020". Finally, the Group has been listed as one of the "Europe's Climate Leaders 2021" by the Financial Times.

Leasing

The Bank's subsidiary Piraeus Leasing S.A. ("Piraeus Leasing"), a member of the International Finance and Leasing Association (IFLA), engages in financial leasing of immovable property, machinery, professional vehicles and other types of physical assets. In 2020, total profit amounted to €10 million. In particular, new operations amounted to €140 million out of which approximately €72 million were dispersed in 2020.

Total assets under management of Piraeus Leasing amounted to €2 billion as at 31 December 2020.

Factoring

The Group has been offering factoring services since 1998, including domestic factoring services such as debt collection, management and account monitoring and advancing funds for companies' outstanding claims. Internationally, the Group offers export credit, credit risk coverage, monitoring services, management and debt collection services. Factoring services are provided through the Bank's wholly-owned subsidiary Piraeus Factoring S.A., which is a member of Factors Chain International and the Hellenic Factors Association, with representation both in the board of directors and its sub-committees.

Total assets of Piraeus Factoring S.A. amounted €398 million to as at 31 December 2020, with total factoring financing amounting to €2 billion.

Industrial zones

The Group's subsidiary ETVA Industrial Parks S.A. is engaged in the establishment, operation and administration of organised areas for the establishment of businesses (industrial zones), the pursuit of sources of financing and the provision of funds for the creation or improvement of the necessary infrastructure. In 2020, it managed 25 industrial parks in Greece, where approximately 2,200 enterprises were established. Those businesses employed over 30,000 people, with a collective annual turnover of over €9 billion.

ETVA Industrial Parks S.A. aims to capital participation in sustainable, value-added investments that ensure high social and environmental sustainability.

The Greek government owns 35% of the share capital of ETVA Industrial Parks S.A. through the Hellenic Corporation of Assets and Participations S.A.

Investment banking and brokerage related activities

The Group has a significant presence in the capital markets of Greece and have a large share of the securities underwriting market. The Group is one of the leading advisory institutions on initial public offerings and among the major underwriters in the Greek market. The Group offers a wide range of capital markets and advisory and investment services, including corporate finance advisory services, equity and debt financing, stock brokerage, custodian services, wealth management, and consulting services for capital restructuring, company valuation and mergers and acquisitions. The Group has also developed a strong presence in syndicated loan arrangements and bond issuances and are also active in derivatives transactions in all major international capital markets.

Investment banking activities

The Group maintained its leading position as an advisor and bookrunner in major privatisation projects, capital markets transactions and mergers and acquisitions. More specifically, in 2020 the Group acted as financial advisors to the Hellenic Republic Asset Development Fund in numerous major privatisation and concession projects. In addition, the Group has one of the leading coordinators participating in all public offerings of Greek corporate bonds listed on the ATHEX. Finally, the Group provided advisory services to a number of large corporates in connection with their tender offer on the ATHEX.

Brokerage activities

Piraeus Securities S.A. is the Group's brokerage arm retaining a leading position across the entire spectrum of brokerage services: from equity trading on ATHEX and on all major exchanges worldwide, through offering a complete suite of products and services in cash and derivatives markets, as well as governmental and corporate bonds. Piraeus Securities S.A. sales and trading team provides a leading service to institutional clients. The Group's equity research department combines an in-depth understanding of companies and global markets. As a founding member of the Athens Derivatives Exchange – ADEX, Piraeus Securities S.A. maintains a leading position in all Greek derivative products.

In 2020, Piraeus Securities S.A. was positioned first in the Greek brokerage market for the second consecutive year, with an 18.85% market share according to the ATHEX.

In 2020, the turnover of Piraeus Securities S.A. amounted to €14.8 million with pre-tax profits of €1.3 million, while its total assets amounted to €139.4 million with its equity amounting to €60.2 million.

Custodian services

The Group offers a wide spectrum of custodian services to all classes of domestic and international institutional investors, corporate, retail and private clients. The Group's product offering includes settlement, safekeeping & asset servicing services in Greece, Cyprus and in global markets (through direct connections with ICSDs and global custodians). In addition, the Group is licenced as general clearing member for local equities and derivatives, XNET markets, and for local energy products. Furthermore, the Group provides issuer services and underwriting services to listed companies in the ATHEX.

In recent years, the Group has focused on marketing its custodian services and products, leading to an increase of its institutional client base and the processing of a large number of transactions. The Group continued to offer and support all of the products available in the Greek capital markets including fixed income, equity and derivatives. The Group also offered its services to clients internationally, with an increasing balance of portfolios, supporting all types of institutional clients and its international subsidiary bank network. Furthermore, the Group focuses on

improvements and automations of applications and processes responding to the growing challenges of the changes in the legal and regulatory framework, offering clients the maximum possible service by adopting innovative and flexible solutions in a risk measurable environment.

Another international distinction for the custody and securities services of Piraeus Bank, was granted in 2020 by the leading publication Global Custodian, with the global award, “Best in Survey, Emerging Markets”. Piraeus Bank is consistently being ranked amongst highly reputable institutions, for the quality of its service offering in the international custody and securities services arena, in recognition of its expertise and long-lasting relationships with institutional clients across the globe. In this year’s “Leaders in Custody Awards”, Piraeus Bank won the prestigious “Best in Survey, Emerging Markets”, receiving the highest scores in all categories under consideration.

Piraeus Financial Markets

Piraeus Financial Markets (PFM), including the Bank’s subsidiary Piraeus Asset Management MFMC, is responsible for the efficient management of liquidity, with a view to optimise the funding of the Group’s operations, ensuring access to international financial markets, managing positions and risks in the foreign exchange, interest rate and fixed income markets. PFM also serves institutional investors, such as insurance companies and brokerage firms. In addition, PFM develops and promotes investment products and offers asset management tools through mutual funds and discretionary portfolio management.

The Group’s Treasury & Financial Markets segment is active across a broad spectrum of capital markets products and operations, including bonds and securities, interbank placements in the international money and foreign exchange markets and market traded OTC derivatives. Its client base includes institutional investors, large corporations, insurance funds and large private sector investors. In its capacity as primary dealer of the Hellenic Republic, it is also active in the primary and secondary trading of Greek government securities, primarily euro-denominated securities, as well as in the international Eurobond market.

Piraeus Asset Management MFMC (Mutual Funds Management Company), the Group’s investment arm, is responsible for the management of mutual funds as well as private and institutional investors’ portfolios. As at 31 December 2020, Piraeus Asset Management managed a total of 30 mutual funds in Greece and abroad, as well as a large number of institutional and private investor portfolios. Total assets under management amounted to €2 billion as at 31 December 2020. Piraeus Asset Management is a member of the Principles for Responsible Investment Initiative, the world’s leading proponent of responsible investment, defining responsible investment as a strategy and practice to incorporate ESG criteria in investment decisions.

Central functions

Electronic banking

Payments to third parties from the Bank’s branches and digital payment channels are an important area of development in terms of partnerships and commission revenues. More specifically, during the year 2020, over 280 businesses were serviced by the Group through its cooperation with the digital payments platform DIAS. In addition, the Group’s easy POINT service which facilitates the payment of utility bills in selected locations observed an upward trajectory in 2020 as demonstrated by the creation of further supporting locations through the banks capitalisation of strategic partnerships with payment institutions and retail chains.

In parallel with the traditional bank network and in line with the Group’s strategy to innovate in the delivery of the Group’s services and points of access for its customers, the Group offers various e-banking services through winbank, the Group’s electronic banking network. Winbank offers a full set of services through four different distribution channels: ATMs, a call centre, mobile phones, and the Internet.

The Group also offers the easypay point service which enables third (alternative service) points (for instance, small retail points) to collect bills for their customers with the security and technological excellence which the Group provides. Through this service and other innovations

offered by the Group's e-channels and branches, the Group holds a leading position in the payments sector.

The Group has also successfully embarked on the e-branch concept, which is designed to create a welcoming atmosphere coupled with advanced technology, including the landmark feature of a remote video teller being, always with the support of the Group's facilitators standing by to guide and educate the Group's customers. The Group operated 10 e-branches as at 31 December 2020.

Fund transfers - payment services

Piraeus Bank Société Anonyme was the first bank in Greece to adapt its infrastructure and practices to the EU Payments Services Directive. Moreover, the Group continued the integration of its subsidiaries into a single payment processing platform relating to the processing of payments, with the aim of creating a common platform available in all geographical locations but which is also adapted to local transactional practices.

The Group had experienced a heightened demand for issuance of cards and e-banking subscriptions through its winbank platform during 2020.

The Group is one of the main card issuers in Greece with approximately 5.3 million cards in circulation at the end of 2020. During 2020, the turnover of card purchases amounted to €10.7 billion with 375 million transactions, with the turnover of cash withdrawals through cards amounting to €12.1 billion, with 60 million transactions.

More specifically, the Group had about 707 thousand credit cards in circulation at the end of 2020. During 2020, the turnover of purchases through credit cards amounted to €1.4 billion with 33 million transactions, with the turnover of cash withdrawals through credit cards to be set at €30 million, with 168 thousand transactions. The loan balances of the credit card of the Bank in Greece amounted to €499 million on 31 December 2020.

Property and equipment

Non-core assets

Real estate management and development

The Group engages in real estate development and management activities through Piraeus Real Estate S.A. ("Piraeus Real Estate").

Piraeus Real Estate

Piraeus Real Estate is the Bank's principal real estate subsidiary and provides a full range of real estate development project management and administration services, integrated real estate management on behalf of owners and investors, property valuations and investment consulting services to real estate investment companies and funds in Greece and internationally. In 2020, Piraeus Real Estate's total revenues amounted to €10.6 million from operations and €0.2 million from other income of which approximately 53% derived from property appraisals, 34% from sales management and other advisory services, with the remaining revenue attributed to project management and monitoring projects, facility management services (*e.g.*"City Link" shopping centre in Athens and "Limani" shopping centre in Thessaloniki), project management services and other income. See also "*—Commercial and corporate banking—Green business and green banking products*".

Additionally, the company provides consulting services and specialised know-how for the development and management of the Group's real estate portfolio.

Technology and infrastructures

The Group places emphasis on optimising internal procedures in order to upgrade the quality and speed of completion of operations, while at the same time minimising operational costs. In the

IT sector, emphasis is placed on installing applications that support the increase of the Group's work and the upgrade of infrastructures aiming for the safest and most effective possible operation.

The Group possesses a state-of-the-art Main Data Centre in Athens and a back-up Disaster Data Centre in Thessaloniki (500 km from Athens), which were both built according to international standards and specifications. Failover to the Disaster Data Centre is highly automated and can be achieved in less than four hours (critical systems in less than 2 hours). Tests are conducted twice a year to verify operational readiness of the disaster site.

The development and improvement of IT systems has always been in the framework of optimising and integrating infrastructures, processes and systems which are required by the continuously changing business and economic environment, with the aim of achieving economies of scale, increased security, functionality, uniform management by the final user and thus, increased competitiveness for the Bank.

In the Main Data Centre in Athens and in the Disaster Data Centre in Thessaloniki, multiple systems have been installed to cover all products, processes and procedures of the bank (ATM switching, internet banking, anti-money laundering AML/WLM, risk management, fraud management, collections, accounting and workflows among others). The Group uses one of the most popular central banking systems in the world ("Equation" by Finastra), which is linked online in real time with a complete range of over 40 peripheral systems and applications. In addition, an internally-developed customer relationship management system has an "updated in real time" 360-degree view of all customers, being the core of all customer-centric activities.

In respect of IT security infrastructure, the Group has developed an integrated information assets security framework (based on National Institute of Standards and Technology, International Organisation for Standardisation (the "ISO") and Payment Card Industry (the "PCI") standards) as well as a data protection policy. Moreover, the Group maintains a data governance framework the main scope of which is to optimise data and information quality and security across the Group. The Group is in compliance with Bank of Greece Governor's Act 2577 and the General Data Protection Regulation.

Piraeus Bank is certified based on the internationally recognised ISO/IEC 27001:2013 and PCI DSS v3.2 standards. The certifications cover the entire range of security, management and operations of the Group's IT systems as well as the protection of the card holder's data and provide additional levels of assurance and confidence to the Group's customers, shareholders and partners.

An up-to-date multi-protocol label switching (the "MPLS") network covers the Group's telecommunication requirements in Greece. One of the first networks of its kind to be installed in a Greek bank, it links the Group's branches with the data centres via high-speed connections. An Asymmetric Digital Subscriber Line network also exists as back-up support to the MPLS network, and in the event that even this connection is not possible (for example, due to cable outage), a GSM 3G/4G network connection is on standby. To facilitate communication and collaboration between the various headquarter units and the branches, a central state-of-the-art videoconferencing system has been installed backed by cloud-based Cisco WebEx and Microsoft Teams collaboration products.

The Group has one of the most sophisticated e-banking platforms in Europe, winbank, which was designed and deployed in cooperation with Microsoft and has won multiple international awards and prizes. The platform uniformly supports all its electronic channels, such as internet banking, mobile banking, phone banking, SMS banking, payments and e-commerce, amongst others.

CAPITAL ADEQUACY

As at 31 December 2020, the share capital of Piraeus Financial Holdings amounted to €2,619,954,984, consisting of 436,659,164 Ordinary Shares (as defined herein), with a par value of €6.00 each. As a result of the conversion of the Contingent Convertible Bonds and completion of Piraeus Financial Holdings' share capital increase related thereto, as at 4 January 2021, Piraeus Financial Holdings' share capital amounted to €4,986,354,984, consisting of 831,059,164 Ordinary Shares. In addition, following completion of Piraeus Financial Holdings' Reverse Split (as defined herein) and Share Capital Decrease (as defined herein) approved by Piraeus Financial Holdings' General Meeting on 7 April 2021, Piraeus Financial Holdings' outstanding paid-up share capital amounted to €50,367,223 and was divided into 50,367,223 Ordinary Shares, each having a nominal value of €1.00. Furthermore, following the report dated 29 April 2021 that PricewaterhouseCoopers S.A. prepared in connection with the certification of the payment for the amount raised from the Share Capital Increase, in accordance with Article 20, paragraph 6 of Law 4548/2018, and the decision of Piraeus Financial Holdings' Board of Directors dated 29 April 2021, certifying the payment of the amount of the Share Capital Increase, the total share capital of Piraeus Financial Holdings as of 30 June 2021 amounts to €1,250,367,223.00 and is divided into 1,250,367,223 Ordinary Shares, of a nominal value of € 1.00 each.

Following the activation of the SSM on 4 November 2014, the Group became subject to the direct supervision of the ECB. From 1 January 2014, for the purposes of capital adequacy, the Group is subject to CRD IV new regulatory framework which consists of CRD IV, transposed into Greek law pursuant to the Banking Law, and the CRR, as amended. CRD IV is intended to implement the Basel III agreement in the EU. CRD IV regulatory framework requires financial institutions to maintain a minimum level of regulatory capital related to the undertaken risks. The minimum capital adequacy ratios pursuant to Article 92 of the CRR are 4.5% for Common Equity Tier 1 ratio, 6% for Tier 1 ratio and 8% for Total Capital Ratio.

The ECB requires each institution to maintain a minimum level of regulatory capital related to the undertaken risks. Capital adequacy is frequently monitored by the responsible department and submitted on a monthly basis to the ECB.

Further to the conclusion of the SREP, the ECB informed the Group of its OCR, valid from 2021, not taking into account mitigating measures for the COVID-19 pandemic. According to the decision, the Group would have to maintain on a consolidated basis and on an individual basis a total SREP capital requirement (TSCR) of 11.25% and an OCR of 14.25% (31 December 2019:14.00%), which includes: (i) the minimum Pillar I total capital requirements of 8.00% as per Article 92(1) of the CRR; (ii) the additional Pillar II capital requirement of 3.25% as per Article 16(2) of Regulation No. 1024/2013/EU; (iii) the fully loaded capital conservation buffer of 2.50% as per the CRR; and (iv) the transitional Other Systemically Important Institutions (O-SSI) capital buffer of 0.50% under Law 4261/2014. On 12 March 2020, the ECB announced measures expected to provide capital relief to banks in support of the economy. These measures include the permission to (i) operate temporarily below the level of capital defined by Pillar 2 Guidance (as the Group may operate up to the third quarter of 2021), the capital conservation buffer and the LCR and (ii) use capital instruments that do not qualify as CET1 (for example Additional Tier 1 and Tier 2 capital instruments) to meet Pillar 2 Guidance (anticipating the entry into force of Article 104 of CRR II.

The amount of deferred tax assets (the "DTAs") included in the Group's regulatory capital in accordance with the provisions of Article 27A of Law 4172/2013 (as amended from time to time) regarding the voluntary conversion of DTAs arising from temporary differences into final and settled claims against the Greek state (DTC) amounted to €3.7 billion as at 31 December 2020 and remained stable as at 30 June 2021.

As at 30 June 2021, the Group's total capital adequacy ratio and CET1 capital ratio stood at 14.85% and 10.87%, respectively, while, on a *pro forma* basis for the RWA reflief that will be realised post-derecognition of the Sunrise 1 securitisation, the same ratios stood at 15.82% and 11.58%, respectively.

As at 31 December 2020, the Group's total capital adequacy ratio and CET1 capital ratio stood at 15.82% and 13.75%, respectively. The Group's total capital adequacy ratio was 14.92% as

at 31 December 2019 and the CET 1 ratio was at 14.05%, covering the OCR level for 2019. Such increase was due to the issuance of €500 million Tier 2 notes in February 2020 and the fact that the 2019 reported capital ratios did not include profits for that period.

Achieving the Group's targeted capital adequacy ratio will depend on the successful and timely completion of its Capital Enhancement Plan NPE Reduction Plan, as well as other factors, including factors beyond its control, all of which are subject to risks and uncertainties as disclosed elsewhere in this Prospectus. See "*Risk Factors—Risks relating to its business—The Group may not be able to execute its NPE Reduction Plan on a timely basis, or in its entirety, which may negatively impact its business, financial condition, capital adequacy or results of operations*", "*—Risks relating to its business—The Group may not be able to complete the remaining parts of its Capital Enhancement Plan on a timely basis, if at all, and this might have an adverse impact on the execution of its NPE Reduction Plan and the implementation of its Transformation Plan*".

The EBA launched on 29 January 2021 the 2021 EU-wide stress tests. The ECB also conducted its own stress test for 53 banks it directly supervises but which were not included in the EBA-led stress test sample, such as Piraeus Bank Société Anonyme. Results of such stress tests were announced in July 2021. According to the ECB press release, this exercise was consistent with the EBA's methodology and applied the same scenarios, while also including proportionality elements as suggested by the overall smaller size and lower complexity of these banks. The basis for the stress test that the EBA performed were the consolidated financial statements as at and for the year ended 31 December 2020. The results of both the stress tests will be used to assess each bank's Pillar 2 capital needs in the context of the SREP. Furthermore, they will support macroprudential tasks and the ECB will assess the macroprudential implications of the exercise for the Euro area. On 30 July 2021, Piraeus Financial Holdings announced that had successfully completed the 2021 SSM Stress Test Exercise ("exercise") conducted by the European Central Bank (please also refer to section *PIRAEUS FINANCIAL HOLDINGS S.A – Recent Developments - SSM Stress Test Exercise*).

For the purposes of capital adequacy, the Group applies the standardised approach for the calculation of capital requirements against credit risk, market risk and operational risk. The capital adequacy ratio is specified as the regulatory capital to the total risk weighted assets and off-balance sheet items. The legislative and regulatory capital framework requires that the Group holds adequate regulatory capital to cover the minimum capital requirements established by the CRR, the CRD and any additional requirements based on the SREP conducted pursuant to Article 97 of CRD.

The Group's main objectives relating to the capital adequacy management are the following:

- to comply with the regulatory requirements against the undertaken risks according to the regulatory framework;
- to preserve the Group's ability to continue unhindered its operations;
- to retain a sound and stable capital base in order to support the Group's management business plans; and
- to support and enhance infrastructure, systems and methodologies to adequately meet supervisory and regulatory compliance requirements in Greece and abroad.

The Group's regulatory capital, as defined in the CRR, as amended, is comprised of Tier 1 and Tier 2 capital.

Tier 1 capital is the sum of Common Equity Tier 1 capital and Additional Tier 1 capital. Common Equity Tier 1 capital includes:

- shareholders' equity (common shares) and share premium;
- contingent convertible bonds;
- reserves and the value adjustments of the balance sheet items; and
- retained profit or loss and minority interests.

Treasury shares are excluded from CET 1 capital.

Regulatory adjustments on Common Equity Tier 1 capital, as defined in the CRR, as amended, include:

- intangible assets, including goodwill;
- deferred tax assets relying on future profitability;
- direct, indirect and synthetic holdings of CET instruments of financial sector entities where the institution has an investment in those entities;
- part of the minority interests, according to the rules set in Article 84 of the CRR; and
- Additional Tier 1 capital includes hybrid instruments issued by the Bank or its subsidiaries. Tier 2 capital includes subordinated loans with a fixed-term cumulative dividend right.

For the calculation of regulatory capital, Piraeus Financial Holdings' own share capital must undergo some regulatory adjustments, such as the deduction of intangible assets and goodwill, the deduction of the revaluation gain of investment property, the deduction of part of the available for sale reserve and the deduction of the proposed distribution of dividend.

The following table sets out Piraeus Financial Holdings' actual consolidated equity capitalisation as at 31 December 2019 and 2020 and as at 30 June 2021 2021 (actual and on a *pro forma* basis after giving effect to the Share Capital Increase).

	Group		
	As at 31 December		As at 30 June 2021
(€ in millions)	**2019**	**2020**	
Ordinary shares[(1)]	2,620	2,620	1,250
Share premium	13,075	13,075	18,112
Contingent convertible bonds	2,040	2,040	-
Less: Treasury shares	(-)	(1)	(2)
Other reserves and retained earnings	(10,355)	(10,687)	(13,533)
Minority interest	115	106	109
Less: intangible assets	(304)	(234)	(231)
Total regulatory adjustments on Core Tier 1 capital	(787)	(992)	(1,643)
Common Equity Tier 1 Capital (CET1)	**6,403**	**5,927**	**4,064**
(Additional Tier 1) Hybrid Capital	—	—	600
Total regulatory adjustments on Tier 1 capital	—	—	
Tier 1 Capital (A)	**6,403**	**5,927**	**4,664**
Subordinated debt	394	889	890
Total regulatory adjustments on Tier 2 capital	—	—	
Total Tier 2 Capital (B)	**394**	**889**	**890**
Total Regulatory Capital (A)+(B)	**6,798**	**6,816**	**5.554**
Total Risk-Weighted assets (On and Off-Balance Sheet Items)	**45,565**	**43,097**	**37.391**
CET 1 Capital Ratio	**14.05%**	**13.75%**	**10.87%**
Tier 1 Capital Ratio	**14.05%**	**13.75%**	**12.47%**

Total Capital Ratio	**14.92%**	**15.82%**	**14.85%**

(1) Represents Piraeus Financial Holdings' share capital before the Reverse Split.

The following table sets out Piraeus Bank's equity capitalisation as at 31 December 2020, while there is no equivalent informant as at 30 June 2021:

(€ in millions)

Ordinary shares	5,400
Share premium	-
Contingent convertible bonds	-
Less: Treasury shares	-
Other reserves and retained earnings.....	(314)
Minority interest	-
Less: intangible assets.....	(194)
Total regulatory adjustments on Core Tier 1 capital	(1,166)
Common Equity Tier 1 Capital (CET1).....	**3,725**
(Additional Tier 1) Hybrid Capital	-
Total regulatory adjustments on Tier 1 capital.....	-
Tier 1 Capital (A)	**3,725**
Subordinated debt	721
Total regulatory adjustments on Tier 2 capital.....	-
Total Tier 2 Capital (B).....	**721**
Total Regulatory Capital (A)+(B).....	**4,446**
Total Risk-Weighted assets (On and Off-Balance Sheet Items)	**39,465**
CET 1 Capital Ratio.....	**9.44%**
Tier 1 Capital Ratio	**9.44%**
Total Capital Ratio	**11.27%**

RISK MANAGEMENT

All references herein to Bank are to Piraeus Bank Société Anonyme.

The recognition and management of risks arising from the Group's activities is a priority in the development of its business strategy. In this regard, a framework for prudent risk management has been established, which is based on supervisory guidelines and best international practices and the guidelines of the Basel Committee for Banking Supervision. Piraeus Holding's Board of Directors has full responsibility for the development and supervision of the risk management framework. An overview of the Group's risk management framework and credit risk management is provided in this "*Risk Management*" section of this Offering Circular; for a more detailed discussion of the Group's financial risk management, see Note 5 of Piraeus Financial Holdings' audited consolidated financial statements for the year ended 31 December 2020.

Risk management framework

Risk Committee

The Risk Committee's mandate is to effectively manage all types of risks arising from the Group's activities and ensuring a consistent and uniform assessment and a specialised treatment thereof, as well as to coordinate operations on a Bank and Group level. In particular, the Risk Committee assists the Board of Directors in relation to (i) the existence of an appropriate risk management strategy and the definition of maximum acceptable risk levels, as well as the supervision of their application; (ii) the establishment of principles and rules that will govern risk management as regards the identification, assessment, measurement, monitoring, control and mitigation of risks; (iii) the development of the Group's risk management system and the incorporation of appropriate risk management policies and controls during the business decision-making process; (iv) the compliance of the Group and the Bank through, through strict and reliable procedures, with the requirements of the regulatory framework for risk management functions; and (v) independence, adequacy and effectiveness of the operation of the Bank and the Group Risk Management.

The Risk Committee's mission is to ensure that Piraeus Financial Holdings and Piraeus Bank Société Anonyme have a well-defined strategy for risk management and risk appetite. The Group and the Bank's risk appetite is structured through a number of quantitative and qualitative positions for specific risk categories, including special tolerance levels (per portfolio, sector, geographic region, credit standing, etc.). In addition, the Risk Committee ensures that all the forms of risk (including operational risk) in relation to the activity of the Group are covered effectively. Also, it ensures that the Group and the Bank's risk appetite is clearly communicated to the entire Bank and its subsidiaries and constitutes the basis for the establishment of risk management policies and risk limits at the Group and the Bank. Finally, it ensures the integrated control of risk management, the specialised management of risks and the necessary coordination at the Group and Bank level.

The Risk Committee convenes, upon its Chairman's invitation, as many times as are considered necessary in order to accomplish its mission, but not less than once a month. Each member of the Committee may request the convocation of the Committee in writing for the discussion of specific issues.

The Group's CRO is the Head of the Group Risk Management, and is appointed by the Board of Directors of the Bank upon recommendation and endorsement of the Risk Committee. The CRO's appointment or replacement is communicated to the Bank of Greece and the SSM. The CRO participates in all major executive committees, including the Group Executive Committee, and has a dual reporting line to the Risk Committee and the Bank's CEO with direct access to the Chairman of the Risk Committee, whenever deemed necessary.

Group Risk Management

The Group Risk Management is independent from the business units of the Group. It carries out responsibilities of risk management and credit risk control in accordance with the Bank of Greece Governor's Act No 2577/2006 and the Banking Law. The Group Risk Management is responsible for the design, specification and implementation of the Group's policies on risk management and capital

adequacy in accordance with the directions of the Board of Directors, which covers the full range of the Group's activities for all types of risks. The Group CRO supervises the Group Risk Management and reports to the Risk Committee and through it to the Board of Directors, whereas for typical administrative matters the CRO reports to the CEO. The Group Risk Management is subject to review by the Group Internal Audit as to the adequacy and effectiveness of risk management framework such as policies, methodologies and procedures.

The Group Risk Management develops the strategy, policies and procedures in relation to:

- the identification, assessment, measurement, management/control, monitoring and reporting of potential and actual risk exposures;
- the establishment, allocation and monitoring of appropriate risk limits (*e.g.*, credit, market, liquidity and operational risks) in cooperation with the relevant committees and units of the Group;
- capital management objectives;
- monitoring the implementation of the risk management framework, including the risk and capital strategy, along with the regulatory requirements and the guidelines of Management;
- monitoring the adherence to the approved risk appetite framework on an ongoing basis;
- developing, conducting, monitoring and reporting the Group's Internal Capital Adequacy Assessment Process ("ICAAP") and Internal Liquidity Adequacy Assessment Process ("ILAAP");
- the oversight of the alignment of the Group's risk and capital strategy with its business plan, restructuring plan, funding plan, budget, ICAAP, ILAAP and recovery plan;
- producing and reporting the capital adequacy requirements under Pillar I (*e.g.*, credit, market and operational risks);
- documenting and reporting the capital adequacy and risk management regulatory disclosures under Pillar III;
- supervising the development and harmonisation of the subsidiaries' risk management frameworks with the Group's risk management framework and practices;
- developing awareness about risk exposure, promote risk management culture and support in risk matters all units across the Group;
- participating in the development of the Group and the Bank's credit policy, which is approved with the consent of the Group Risk Management;
- leading and coordinating the design and execution of Group-wide solvency stress tests; exercising periodic and/or temporary stress tests with base and adverse scenarios tailored to the nature and scope of the operations of the Group for all types of risk;
- the establishment and validation of loan impairment models (compliant with the IFRS 9 framework);
- developing risk-based pricing models. The assessment of an internal hurdle rate for every investment decision (loan) will be of utmost importance for the Bank and it will contribute towards achieving its goals for sustainable profitability and better understanding of the underlying risks; and
- assessing new products and activities or significant changes to existing ones prior to their introduction.

Taking into consideration the overall mission and objectives of the Group Risk Management, a four-pillar structure was established, with clear and discrete functional areas and responsibilities, comprising:

- *risk:* responsible for the development of the risk management framework (policies, methodologies, models and processes) with respect to credit risk, collateral risk, market, liquidity and asset and liability management related risks;
- *balance sheet and capital planning:* supports the development and implementation of the Group's strategy, aiming at the effective management of risks and balance sheet optimisation;
- *control:* responsible for the identification, monitoring and assessment of all types of risks (credit, market, operational, liquidity, etc.) arising from the Group's activities, through the development, implementation and evaluation of an adequate internal control system (the "ICS"), in order to ensure the Group's safe and efficient operations and the achievement of the Group's business objectives; and
- *analytics:* responsible for undertaking end-to-end holistic analysis with a view to responding to challenges arising within the risk management framework.

Furthermore, in alignment with the Bank-wide implementation of the Group's "Internal Control System Enhancement" initiative, a new Segment Controller role was established with a discrete reporting line to the CRO (segment head).

The Group Credit Unit

The Group Credit Unit constituting the secondary risk assessment during the approval process (first line of defence) is responsible for establishing and updating the Group's credit policy.

Assets/Liabilities Management Committee (ALCO)

The ALCO consists of nine members and chaired by the Group's Managing Director and CEO. The members of the ALCO are senior general managers, general managers, as well as other senior executives of the Bank. The ALCO is supported by an Executive Secretary. The ALCO convenes monthly and its main duties are (i) the implementation of the Group's strategy in developing assets and liabilities; (ii) the management of assets and liabilities exercising at the same time a pricing policy in products and services; and (iii) the approval for the introduction of new deposit or loan products, the follow-up of equity adequacy in relation to the risks, the examination of stress test scenarios and the decision making on preserving the available Group's liquidity at acceptable levels.

Committees

Provisioning Committee: the Provisioning Committee, is responsible for the approval of the quarterly ECL allowances for impairment on loans and advances to customers at amortised cost of the Bank, and, if required, of the Group, as it results from the implementation of the policies and procedures governing the calculation of individual and collective provisions against credit risk. The Provisioning Committee is also mandated to, periodically, and at least annually, review the policies and methodologies (such as parameters, scenarios, weighting of scenarios etc.), which are applied by the Bank for the calculation of provisions. Moreover, the Provisioning Committee is responsible for monitoring the reclassification of exposures, as they result from the implementation of the Group's policies and procedures, the examination and approval of any requests for the exception/override from the relevant classification, following the respective request addressed by the business units.

Market Scenario Steering Committee: the Market Scenarios Steering Committee reviews and approves scenario variables and probability weighs derived by the Group's economics and investments strategy. In addition, it reviews and approves temporary adjustments on the credit risk parameters.

Risk Models Oversight Committee: the Risk Models Oversight Committee (RMOC), composed of the CEO and Executive Committee members and chaired by the CRO, is mainly

responsible for the implementation of the Model Management and Governance Framework and the review and approval of relevant issues. In particular, the Risk Models Oversight Committee reviews and approves the Model Development Framework, the initiation of the development of new models, as well as the use and the potential removal or replacement of existing ones. Furthermore, it reviews and approves the Model Validation Framework, the Annual Model Validation Plan and the model validation assessments submitted by the Model Validation Unit and monitors the adherence to the timetable for the implementation of respective recommended actions.

The Group constantly reassesses and develops its risk management framework in order to ensure it keeps pace with market dynamics, changes in the banking products offered, supervisory requirements and international best practices.

The Group systematically monitors the following substantial risks resulting from the Group's business activities and goals: credit risk, market risk, interest rate risk, liquidity risk and operational risk.

Credit risk

Credit risk management strategies and procedures

The Group engages in activities that can expose it to credit risk. Credit risk is defined as the potential risk of realising financial losses stemming from the possibility that counterparties fail to meet their contractual/transactional obligations. Credit risk is the most significant risk for the Group and therefore its effective monitoring and persistent management constitutes a top priority for senior management.

The Group's exposure to credit risk mainly arises from corporate and retail credit lending, various investments, OTC transactions and derivatives transactions as well as from transaction settlement. The amount of risk associated with such credit exposures depends on various factors, including general economic conditions, market developments, the debtor's financial condition, the amount/type/duration of the relevant exposure and the existence of collateral and guarantees, which the Bank may not be able to assess with accuracy at the time it undertakes the relevant activity.

The implementation of the credit policy that describes the principles of credit risk management of the Group, ensures effective and uniform credit risk monitoring and control. The Group applies a uniform policy and practice with respect to credit assessment, approval, renewal and monitoring procedures. All credit limits are reviewed and/or renewed at least annually, and the responsible approval authorities are determined based on the size and the category of the total credit risk exposure undertaken by the Group for each debtor or group of connected debtors (the one obligor principle).

The Group has also established a credit quality review process to provide early identification of potential changes in the creditworthiness of counterparties, including regular collateral revaluations. Counterparty limits are established by the use of a credit risk classification system, which assigns a risk rating to each counterparty. Risk ratings are subject to regular revision. The credit quality review aims to allow the Group to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

Following the COVID-19 pandemic, the Group developed and led a series of initiatives targeting to assess the credit risk and effectively manage the credit impact on the Group's loans' portfolio such as the development of COVID-19 related infrastructure to timely monitor and assess evolution, the assessment of financial resilience per economic sector and the engagement in the development of policies, processes and supportive products in accordance with the guidelines of the EBA.

Credit risk measurement and reporting systems

Reliable credit risk measurement is a top priority within the Group's risk management framework. The continuous development of infrastructure, systems and methodologies aimed at quantifying and evaluating credit risk is an essential condition in order to support management and

the business units in relation to decision making, policy formulation and the fulfilment of supervisory requirements in a timely and efficient manner.

Across the Group, common policies and practices are applied with respect to the credit assessment, approval, renewal and monitoring procedures. Credit risk measurement uniformity is achieved through the application of Group-wide policies and methodologies as well as the dissemination and communication of common monitoring and reporting guidelines. The Group applies two separate and individually tailored credit assessment models for each of the Group's corporate and retail portfolios.

Market risk

Market risk is related to the possibility of losses due to changes in the level or the volatility of market prices and rates, such as interest rates, equity and commodity prices and foreign exchange rates.

The Risk Committee has approved a market risk management policy that applies at a Group and Bank level and outlines the basic definitions of market risk management, and defines the roles and responsibilities of the units and executives involved. The Group engages in moderate trading activities in order to enhance profitability and service the Group's clientele. These trading activities create market risk, which the Group seeks to identify, estimate, monitor and manage effectively through a framework of principles, measurement processes and a valid set of limits that apply to all of the Group's transactions. The most significant types of market risk are interest rates, equity and foreign exchange risk.

The Group and the Bank apply generally accepted techniques for the measurement of market risk. In particular, sensitivity indicators such as CSPV01 (adverse impact to the present value of the bond portfolio for a 1 basis point parallel move in the yield spread curve) as well as the VaR calculations.

For every activity, that bears market risk, the Group has assigned adequate market risk limits, and these are monitored systematically. Market risk management is not confined to trading book activities, but covers the statement of financial position as a whole.

The VaR measure is an estimate of the potential loss in the net present value of a portfolio, over a specified period and with a specified confidence level. The Group implements the following three methods to calculate the VaR:

- the parametric VaR methodology, assuming a one-day holding period and utilising a 99% confidence level, with historic observations of two years and equal weighting between observations;
- the parametric VaR methodology, assuming a one-day holding period and utilising a 99% confidence level, using market data that give more weight to recent observations (exponentially weighted moving average volatilities and correlations, λ=0.94); and
- the parametric VaR methodology using volatilities and correlations gathered during a crisis period (Stressed VaR), while the estimate is assessed on current positions.

As the VaR methodology does not evaluate risk attributable to extraordinary financial or other occurrences, the risk assessment process includes a number of stress scenarios. The stress scenarios are based on the primary risk factors that can change the value of the balance sheet figures. Moreover, in order to test the robustness of the Group's VaR model, the Group back-tests its model against the subsequent income statement on a daily basis. With regards to the trading books of the Bank and the estimations of the size of VaR, the estimated value of the VaR is compared, on a daily basis, with the corresponding alternation in the value of the portfolio due to the changes in market values.

Foreign currency risk

The Group's financial position and cash flows are exposed to fluctuations in the prevailing foreign currency exchange rates. The Group's management sets limits on the level of exposure to currency, which is monitored daily.

Interest rate risk

Interest rate risk is the risk of a negative impact on the Group's financial condition due to its exposure to changes in the market interest rates. Accepting this risk is deemed an integral part of banking operations and can be an important source of profitability and increase in the Group's value.

Changes in interest rates affect the Group's results by changing the net interest income as well as the value of other interest sensitive income or expenses. Changes in interest rates also affect the value of the Group's assets and liabilities because the present value of future cash flows (and in some cases, the cash flows themselves) changes when interest rates change. Consequently, an effective risk management process that assesses, monitors and helps maintain the interest rate risk within acceptable levels (through effective hedging, where deemed required) is essential to the Group's financial safety and soundness.

The Group apples an interest rate risk management policy, which provides for a variety of valuation techniques that mainly rely on maturity and repricing schedules, amongst which the "Interest Rate Gap" analysis. According to the said analysis, the principal amount of assets and liabilities are allocated to time periods until their maturity (in the case of fixed rate instruments) or according to the date of the next re-determination of their interest rate (in the case of floating rate instruments).

Liquidity risk

The Group acknowledges that effective liquidity risk management is essential to the Group's ability to meet its liabilities, while also safeguarding its financial results and its capital. Liquidity risk is defined as the risk arising from the Group's inability to meet its cash flow obligations when they come due, without incurring unacceptable costs or losses at all times, including under stress. The Group applies a uniform liquidity risk management policy for the effective management of liquidity risk, approved by the Board Risk Management Committee. This policy complies with the supervisory regulations and is consistent with best practices applied internationally.

The policy specifies the principal liquidity risk assessment definitions and methodologies, defines the roles and responsibilities of the Bank's units, the Group subsidiaries and staff involved and sets out the guidelines for liquidity crisis management. In order to manage liquidity risk effectively, the Group monitors, *inter alia*, the amount, quality and composition/diversification of the Group's liquid assets, the cash flow analysis of the Group's assets and liabilities (inflows, outflows) in time buckets, the composition, diversification and cost of its funding sources, the composition, diversification and funding capacity of the Group's unencumbered collateral and its funding needs in local and foreign currencies.

Furthermore, the policy defines a contingency funding plan to be used in the case of a liquidity crisis. Such a crisis can take place either due to an event specific to the Group or due to a market-driven event. Triggers and early warning signals prescribed within the contingency funding plan serve as indicators for its realisation.

The Group's liquidity coverage ratio (the "LCR") and net stable funding ratio (the "NSFR") are calculated on a monthly and quarterly basis, respectively, as per the Regulation (EU) No 575/2013. As at 31 December 2020, both the LCR and the NSFR exceeded the minimum regulatory threshold of 100%, remaining comfortably above risk appetite levels and standing at 175% and 116% respectively. As at 30 June 2021, the Group's LCR stood at 210%.

Under CRD IV, which has been transported into Greek Law by virtue of the Banking Law, credit institutions are required to have comprehensive strategies, procedures, policies and systems to ensure adequate monitoring of liquidity risk. In accordance with CRD IV, the Bank submitted in 2020 and 2021 to the SSM, its annual ILAAP reports, which include the rules governing the

management of liquidity risk and the main results of current and future liquidity position assessments for the Bank and the Group. In addition, within the Group's ICAAP and ILAAP framework, the Group examined stress test scenarios and assessed their impact on the Bank's and the Group's liquidity position and on mandatory liquidity ratios.

The Group focuses on the containment of the Group's liquidity risk and the improvement of its liquidity position, through the achievement of the following key objectives, while continuously monitoring market conditions. The Group aims to:

- strengthen and broaden the Group's core funding sources (customer deposits, debt issuance and interbank secured lending), while also monitoring and controlling their cost;
- improve the Group's funding structure though the development of longer-term funding sources and the gradual reduction of the average maturity of the Group's assets;
- maintain a robust liquidity position through the development of an adequate and well diversified high-quality liquid assets buffer, while striking a balance between that and the need to achieve the Group's earnings targets;
- optimise the use of available liquidity through risk-adjusted pricing for new or rolled-over assets and the potential reallocation of funding among assets where possible.

The COVID-19 pandemic outbreak is an unprecedented challenge, both globally and within the EU. As the situation continues to evolve, the EU supervisory authorities have introduced several measures to address and mitigate the adverse economic impact of the COVID-19 on the banking sector.

The effects of the COVID-19 pandemic during the year of 2020 did not impede the upward trend of the Group's main liquidity factors, allowing its liquidity profile to continue on its improving trajectory. Piraeus Group liquidity remains robust amid the continued COVID-19 pandemic, as the granular deposit base, adequate collateral buffers and the timing of Tier II issuance, paired with EC, ECB and Greek Government measures, have effectively mitigated risks during the first and the later phases of the pandemic. Based on the same premises throughout year 2020 and 2021, the Group's LCR has sustained a steadily improving trajectory and profile, remaining comfortably above risk appetite levels and standing as of December 2020 at 174% and as at 30 June 2021 at 210%.

Throughout 2020, the Group's liquidity position improved further, driven by customer deposits increase which attested further to the depositors' confidence restoration witnessed for the past few years. As at 31 December 2020 customer deposits amounted to €49.6 billion, compared to €47.4 billion at 31 December 2019, while at the same term deposits' cost has been reduced significantly.

In 2020, the ECB's measures adopted in response to the COVID-19 pandemic, including Greek government bonds eligibility waiver, the launch of Additional Credit Claims framework, the TLTRO III extension, coupled with favourable haircuts and pricing, led to an increase of the Group's exposure to the Eurosystem, which as at 31 December 2020 amounted to €11 billion compared to €350 million in 2019. In 2019, the Group's exposure to the Eurosystem decreased to €350 million due to the deleveraging of the Bank's loan portfolio and the further increase of customer deposits base. The Bank's ELA funding was fully repaid in July 2018 and remained nil ever since.

As at 31 December 2020, the Group's interbank repo funding amounted to €96 million compared to €2.4 billion as at 31 December 2019, while funding from debt securities increased through the issuance of €400 million Tier 2 notes in June 2019 and additional €500 million Tier 2 notes in February 2020.

In addition, as at 31 December 2020, the Group's gross loans amounted to €49.5 billion compared to €50.1 billion at 31 December 2019, of which €1.5 billion was related to the seasonal funding facility of an agri-loan towards OPEKEPE for the distribution of European Commission's subsidies toward farmers (which was repaid in February 2021).

The Group's net loans amounted to €33.2 billion as at 30 June 2021 , compared to €39.6 billion as at 31 December 2020 and €39.2 billion as at 31 December 2019 with the Group's seasonally adjusted net loans to deposits ratio at 76.8% and 79.4% as at 31 December 2020 and 2019, respectively, (excluding the seasonal OPEKEPE loan).

In general, liquidity management is a matter of balancing cash flows within forward rolling time bands, so that under normal conditions, the Group is comfortably placed to meet all payment obligations as they fall due. For this purpose, the Group uses the liquidity gap analysis which provides an overview of the expected cash flows, arising from all balance sheet items assigned and aggregated into time bands according to when they occur.

The assumption is that scheduled payments to the Group are honoured in full and on time and in addition, all contractual payments are discharged in full, *e.g.*, depositors will withdraw their money rather than roll it over on maturity. Those assets and liabilities lacking actual maturities (*e.g.*, open accounts, current accounts, or savings accounts) are assigned to the time band "up to 1 month".

Operational risk

The Group is exposed to operational risk deriving from the Group's daily operations and from the implementation of its business and strategic objectives.

The Group aims to continuously improve the Group's operational risk management through the implementation and the ongoing development of an integrated and adequate framework that manages the identification, assessment, quantification, monitoring and mitigation of operational risk in order to timely and effectively support the Group's business functions and fulfil the requirements of the regulations to which the Group is subject. The Group's operational risk management framework covers all of the Group's business activities and supporting functions in Greece and abroad.

The Group's Group Operational Risk and Control unit is responsible for the development and maintenance of the Group's operational risk management framework. It is approved by the Risk Committee, reviewed on a regular basis and adjusted according to the Group's total risk exposure and risk appetite.

The framework aims to optimise the Group's operating efficiency, minimise financial losses from operational risk events, develop a uniform and clear culture of operational risk management throughout the Group, adopt advanced methods of measuring and assessing the Group's level of exposure to risk and prevent potential unexpected and catastrophic losses from future operational risk events.

During 2020, the Group's Group Operational Risk and Control unit has either led or participated in a number of strategic and functional risk initiatives, including, among others, the:

- implementation of a bank-wide platform for the management of internal control deficiencies (which remains in progress);
- enhancement of operational risk loss collection and analysis, with focus on legal cases and credit related incidents (which remains in progress);
- enhancement of managing technology and security risks in second line of defence (which remains in progress);
- enhancement of risk and control assessment methodology (which remains in progress);
- update of the operational risk event typology in order to respond to the current business needs, the new threats and the regulatory areas of focus (which has been completed);
- enhancement of the alert process for critical operational risk incidents (which has been completed); and

- coordination of specialised operational risk assessment processes for major events or initiatives affecting the Group's risk profile, such as the COVID-19 pandemic, the hive-down process (project Lyra), as well as the Transformation project (project Thira), in order to identify and assess related risks, monitor mitigating plans and inform relevant bodies (which remains in progress).

In order to optimise the management of operational risk arising from the Group's activities, the Group has adopted the following control and mitigation methods:

Internal control system (ICS)

The Group's ICS includes control mechanisms and processes, integrates best practices of corporate governance and covers each activity and transaction of the Group, contributing to effective and safe operations.

The management is responsible for establishing and maintaining an adequate and effective internal control system within the Group as well as relevant procedures and practices. The management also monitors, systematically the adequacy and effectiveness of the existing ICS and implements promptly any actions required for a sustainable response to and mitigation of operational risk, while in the same time takes care of the development and enhancement of the ICS on a Group and Bank level. At the same time, with appropriate early warning systems, the management controls the consistent application of the ICS across the units, as well as the full compliance of all concerned parties with the principles and objectives of the ICS.

The establishment of the ICS aims in particular to (i) the consistent implementation of the business strategy at a Group and Bank level with effective use of existing resources; (ii) the identification and management of risk exposures and potential risks; (iii) ensure the completeness and reliability of the data, which are necessary for the preparation of reliable financial statements in accordance with IFRS and generally for the accurate and timely determination of the Group's financial position; (iv) ensure the compliance with legislative and regulatory framework governing the Group's operations; and (v) conduct periodic and/or occasional audits by the relevant units of the Group Internal Audit Unit in order to establish consistent application of prescribed rules and procedures by all business units.

The Group's ICS is supported in accordance with the existing regulatory framework of an integrated Management Information System (the "MIS") and inter-complementary mechanisms, forming an integrated system for controlling and auditing both the Group's organisational structure and operations. The operation of MIS ensures uniform and document-based data collection and processing, as well as the prompt, accurate, reliable and complete distribution of information to each governing body of the Bank. The Group places special emphasis on the development and continuous improvement of the MIS. Its effectiveness is necessary for decision-making in relation to risk management.

The Audit Committee monitors and evaluates on a yearly basis the adequacy and effectiveness of the Group's ICS on an individual basis and at Group level, based on the relevant data and information of the Group Internal Audit, the Compliance Division, the findings and observations of the statutory auditors and supervisory authorities. The Audit Committee also reviews the effectiveness of the Group's compliance procedures with the laws, rules and regulations of the supervisory authorities.

The adequacy of the ICS at Group and Bank level is assessed periodically and at least every three years, upon recommendation of the Audit Committee, by an independent chartered public auditor, other than the Group and the Bank's external statutory auditor. The relevant evaluation report is communicated to the Bank of Greece within the first half of the year following the expiration of the three years.

Internal audit

Group Internal Audit comprises an independent and objective advisory and safeguarding function, designed to add value and improve the operations of the Group. By adopting and

implementing a systematic and disciplined methodology, it contributes to improving the effectiveness of risk management, the ICS and governance procedures.

The main mission of the Group's Internal Audit is:

- to conduct any type of audit of all the units, activities and providers of essential activities of the Bank and any of the Group's subsidiaries, in order to formulate a fair, objective, independent and informed view of the adequacy and effectiveness of the Group's ICS; and
- to provide the required objective procedures in conjunction with the Audit Committee regarding the results of the assessment of the adequacy and effectiveness of the Group's ICS.

The assessment of the ICS is based on the standards and criteria prescribed by internationally recognised best practices.

Group Internal Audit functionally reports through the Audit Committee to the Board of Directors and only for administrative purposes to the Managing Director and CEO. It is administratively independent from the other units and shall not conduct any kind of executive and functional responsibilities. It also has full-time and exclusive staff, which shall not report hierarchically to any other units.

The primary objective of the Group Internal Audit is the quality of the audit, in order to ensure the effectiveness, functionality and objective documentation of the various reports that result from the audit work. For the Group Internal Audit, ensuring the quality of the auditing procedures is the main criterion for the determination of relevant professional standards, recruitment and training, as well as for vocational certifications and procedures to be followed within Group Internal Audit.

With respect to the internal auditors, they are provided with unlimited access to all activities, units and premises, and to all kinds and forms of data and information of the Group. They may uninterruptedly communicate with any executives, collective organs and staff within the Group and may request and receive from any executive all information and explanations necessary to fulfil their mission as part of any auditing. Any highly confidential or sensitive information may be brought only to the attention of the Group Chief Audit Executive.

The internal auditors are expected to apply and shall act in compliance with the Group's code of conduct and the rules provided for in international standards for internal auditors.

Group Compliance Division

The Group Compliance Division was established in the context of complying with the rules of the Basel II supervisory framework and the provisions of the Bank of Greece Governor's Act 2577/2006 as an independent unit that is responsible for implementing the policy adopted by Piraeus Financial Holdings' Board of Directors in order to comply with the relevant applicable legal and regulatory framework. The Group Compliance Division refers to the Board of Directors through the Audit Committee, it has unrestricted access to all data and information necessary to carry out its duties and is managed by a person selected to be the Group Compliance Officer possessing sufficient knowledge of banking and investment activities.

The Group's Group Compliance has the following competences and responsibilities: (i) it develops and implements appropriate procedures and prepares a related annual compliance action plan; (ii) it informs the senior management and the Board of Directors of any identified significant regulatory violations; (iii) where regulatory changes take place, it provides relative instructions for the adjustment of internal procedures and internal rules; (iv) in cooperation with the human resources, it ensures that the staff is timely updated on regulatory amendments; (v) it coordinates and evaluates the work of the Group's heads of compliance units (compliance officers) in Greece and abroad; (vi) it ensures the keeping of deadlines for the fulfilment regulatory obligations and provides written reassurance to the Board of Directors; (vii) it ensures that the Group complies with the applicable financial crime regulatory framework; (viii) it participates (at least) on a consulting basis in the design of new products and processes regarding business decision; (ix) it expresses an

opinion on the selection and suitability of the heads of the relevant units of Piraeus Financial Holdings' subsidiaries, and evaluates their efficiency; (x) it examines and responds to competent authorities requests relative to the provision of information and/or the restriction of account/safety deposit box movement; (xi) it gives opinion on new financing and loan restructuring to the relevant approval committee of the Bank; and (xii) it monitors participations in Piraeus Financial Holdings' share capital increases against direct and indirect funding.

MANAGEMENT AND CORPORATE GOVERNANCE

Management and corporate governance of Piraeus Financial Holdings

The main administrative, management and supervisory bodies of Piraeus Financial Holdings are the Board of Directors and the Committees of the Board of Directors (namely the Audit Committee, the Risk Committee, the Remuneration Committee and the Nomination Committee) and the Group Executive Committee.

Board of Directors

According to Article 8 of the Articles of Association, Piraeus Financial Holdings is managed by a Board of Directors which consists of between 9 and 15 members. Pursuant to Law 4261/2014 and Law 4706/2020 entered into force on 17 July 2021 (where applicable), the Board consists of executive and non-executive members. Among the non-executive members, at least one third, and in any event at least two, should be independent within the meaning of Article 9 of the aforementioned Greek Law. Pursuant to the HFSF Law, a Representative of the HFSF participates as a member to the Board of Directors. Such member's responsibilities are determined by the HFSF Law and the Tripartite Relationship Framework Agreement between Piraeus Financial Holdings SA, Piraeus Bank SA and the HFSF. For a description of the rights of the Representative of the HFSF, please see "*Regulatory Considerations*".

In addition, the Tripartite Relationship Framework Agreement requires the following, among others, with respect to the composition of the Board of Directors of Piraeus Financial Holdings: (i) the Board of Directors must be composed of at least seven and no more than 15 members; provided that only an odd number of members is permitted, including HFSF's Representative; (ii) the Chairman of the Board must be a Non-Executive Member and should not serve as Chairman of either the Board's Risk or the Audit Committees; (iii) the majority of the Board of Directors must be comprised of non-executive members, 50% of whom (rounded to the nearest integer) and no fewer than three members (excluding the HFSF Representative) should be independent, satisfying the independence criteria of the Recommendation 2005/162/EC, Law 4261/2014 and, as of 17 July 2021, Law 4706/2020; and (iv) the Board of Directors must include at least two executive members.

The members of the Board of Directors of Piraeus Financial Holdings are elected by Piraeus Financial Holdings' General Meeting for a term of office that cannot exceed three years and may be extended up to the ordinary meeting of the year of expiry of its term. Members of the Board may always be re-elected.

In the event that a member of the Board of Directors resigns, passes away or relinquishes one's office in any manner whatsoever, or is deposed on account of being unjustifiably absent from meetings for three consecutive months, the Board of Directors may continue managing and representing Piraeus Financial Holdings without replacing missing members, provided the remaining members of the Board of Directors are at least nine. If the number of the members of the Board of Directors falls below nine, the Board of Directors must elect sufficient substitute members to bring the Board of Directors to nine members for the time remaining in the current term. The decision for such election must be published according to Article 82 of Law 4548/2018 and be announced by the Board of Directors at the next General Meeting. The General Meeting may either approve such election or replace the substitute members with others, even if membership is not on the agenda.

The Board of Directors, immediately after its election, convenes at its first meeting (formation into body) and elects among its members a Chairman, one or more Vice Chairmen and Managing or Executive Directors. According to the Tripartite Relationship Framework Agreement and international best practices, the Chairman of Piraeus Financial Holdings does not at the same time serve as Managing/Executive Director.

The Board of Directors represents Piraeus Financial Holdings and is qualified to resolve, on every act concerning the management, the administration of its property and the promotion of its business scope in general. The Board of Directors may not resolve on issues, which, in accordance with the law or the Articles of Association, fall into the exclusive competence of the General Meeting.

Moreover, pursuant to the provisions of the HFSF Law, the HFSF as holder of Ordinary Shares, develops, with the assistance of an independent consultant, criteria for the evaluation of the members of the Board of Directors and its committees, as well as any committees the HFSF deems necessary, taking into account international best practices. The HFSF also develops specific recommendations for changes and improvements in the corporate governance. For more details on the evaluation criteria developed by the HFSF, please see "*Regulatory Considerations*". If a member of the Board of Directors or one of its committees does not meet the criteria set out by the HFSF Law and the HFSF, or if a management body collectively, does not satisfy the structure recommended by the HFSF with respect to the size, allocation of tasks and expertise, and the necessary changes cannot be otherwise achieved, the HFSF would propose to the General Meeting that the relevant members of the Board of Directors or a committee need to be replaced, if Piraeus Financial Holdings' Board of Directors does not take the necessary measures to implement the relevant recommendations. In the event that the General Meeting does not agree to replace such members of management or a committee within three months, the HFSF would publish on its website within four weeks a report that includes the relevant recommendations and the number of the members of the Board of Directors or its committees that do not meet the relevant criteria, specifying the criteria such members of the Board of Directors or its committees do not meet.

The composition of Piraeus Financial Holdings' Board of Directors, which was elected by the General Meeting on 26 June 2020 for a term of three years expiring on 26 June 2023, and was constituted as a body corporate pursuant to its resolution of 26 June 2020, is as follows:

Full Name	**Capacity**	**Profession**	**Address**	**Date of 1st Appointment**
George P. Handjinicolaou	Chairman of the Board of Directors—Non-Executive Member	Finance & Economics	4 Amerikis Str., 105 64, Athens	1 November 2016
Karel G. De Boeck	Vice-Chairman—Independent Non-Executive Member	Economics	601 Zeedijk, 1.1, 8300, Knokke Belgium	8 June 2016
Christos I. Megalou	Managing Director (CEO) (Chief Executive Officer)—Executive Member	Finance & Economics	4 Amerikis Str., 105 64 Athens	8 March 2017
Vasileios D. Koutentakis	Member of the Board of Directors—Executive Member	Electrical Engineering	4 Amerikis Str., 105 64 Athens	28 May 2020
Venetia G. Kontogouri	Member of the Board of Directors—Independent Non-Executive Member	Economics	10, Old Hyde Road, Western Connecticut City, 06883, U.S.A.	28 June 2017
Arne S. Berggren	Member of the Board of Directors—Independent Non-Executive Member	Economics	22 Norrtullsgatan, Stockholm 11345, Sweden	8 June 2016
Enrico Tommaso C. Cucchiani	Member of the Board of Directors—Independent Non-Executive Member	Finance	Via Tommaso Salvini 5, 201	1 November 2016

Full Name	Capacity	Profession	Address	Date of 1st Appointment
			22, Milano, Italy	
David R. Hexter	Member of the Board of Directors—Independent Non-Executive Member	Finance	47 Kensington Gardens Square, W2 4BQ, London, United Kingdom	27 January 2016
Solomon A. Berahas	Member of the Board of Directors—Independent Non-Executive Member`	Industrial Engineering and MIS	1 Alamanas Str, 151 25 Maroussi	1 November 2016
Andrew D. Panzures	Member of the Board of Directors—Independent Non-Executive Member	Finance	17 East 93 Street, New York, 101 28U.S.A.	26 June 2020
Anne J. Weatherston	Member of the Board of Directors—Independent Non-Executive Member	Business and IT programming	10 Belmont Crescent, G12 8EU, Glasgow United Kingdom	26 June 2020
Alexander Z. Blades	Member of Board of Directors—Non-Executive Member	Law	4 Amerikis Str., 105 64 Athens	27 January 2016
Periklis N. Dontas	Member of Board of Directors—Non-Executive Member—Representative of the HFSF under the HFSF law	Economics	10 L. Eleftheriou Venizelou Str., 106 71 Athens	18 December 2019

The independent non-executive Board members meet the independence requirements of Law 4261/2014 and of Law 4706/2020.

Brief biographical information for each of the members of the Board of Directors is set out below.

Members of Piraeus Financial Holdings' Board of Directors and Principal Activities Outside the Group

George P. Handjinicolaou, Chairman of the Board of Directors, Non-Executive Member

Mr. George Handjinicolaou is Non-Executive Chairman of the Board of Directors of Piraeus Financial Holdings. He is also, Chairman, Non-Executive Member at the ATHEXGroup Board of Directors, as well as Chairman of the Hellenic Bank Association's Board of Directors. He held the position of Deputy CEO and Member of the Board of Directors in International Swaps and Derivatives Association in London from 2011 to 2016. Mr. Handjinicolaou received a BSc in Economics from University of Athens, Law School, Department of Economics in 1975, an MBA in Finance from New York University, Graduate School of Business Administration in 1978 and a PhD in Finance & Economics from New York University in 1983.

Karel G. De Boeck, Vice-Chairman, Independent Non-Executive

Mr. Karel De Boeck is Vice Chairman, Independent Non–Executive Member of the Board of Directors of Piraeus Financial Holdings, as well as Chairman of the Risk Committee and Member of the Audit Committee. He is also a Board Member of LAMIFIL and LESSIUS NV as well as a Board Member of Willemen Group, Belgium. He held the position of CEO at Belgium (Dexia Credit Local SA, France, Dexia NV, Dexia Group as well as at Fortis Group in Belgium). Mr. De Boeck holds a Master Degree in Mechanical/Civil Electronic Engineering (magna cum laude) from KUL in Belgium (1972) and a Master Degree in Economics from KUL in Belgium (1974).

Christos I. Megalou, Managing Director and Chief Executive Officer, Executive Member

Mr. Christos Megalou is an Executive Member of the Board of Directors of Piraeus Financial Holdings, Managing Director (CEO) and Chairman of the Group Executive Committee. Mr. Megalou, was elected, for two consecutive runs, Chairman of the Hellenic Bankers Association in the UK (2010-2013) and Deputy Chairman of the HBA in Greece (2013-2015). He is a distinguished fellow in Global Federation Competitiveness Councils in Washington, USA and a Non-Executive Board Member of Safe Bulkers Inc. Mr. Megalou graduated with a BSc of Economics from the University of Athens in 1981 and holds an MBA in Finance from University of Aston in Birmingham, UK (1982).

Vasileios D. Koutentakis, Executive Member

Mr. Vasileios Koutentakis is an Executive Member of the Board of Directors of Piraeus Financial Holdings. He is a Member of the Group Executive Committee, as well as an Executive General Manager, Chief Retail Banking in Piraeus Bank since 2017. He is a Member of the Executive Committee of the HBA, Member and HBA Representative of Liquidity Council of Ministry of Finance and Chairman of INSEAD NAA in Greece. He was a Board Member of VISA Hellas from 2004 until 2012. Mr. Koutentakis holds a Diploma in Electrical Engineering from the National Technical University of Athens (1987) and an MBA from INSEAD in Fontainebleau, France (1990).

Venetia G. Kontogouri, Independent Non-Executive Member

Mrs Venetia Kontogouris is an Independent Non-Executive Member of the Board of Directors of Piraeus Financial Holdings and a Member of the Nomination Committee. Also, she is a Member of the Board of Directors of Kaizen Private Equity, as well as Founder and Managing Director of Venkon Group, LLC. She was Co-Managing Director at Trident from 1995 until 2011. Ms. Kontogouris is a technology-focused venture capitalist, with over 20 years of experience; she has overseen management, and been a key decision maker in over 25 companies from the initial seed invest to the exit strategy. Mrs Kontogouris holds a BA from Northeastern University (1974) and an MBA from University of Chicago (1977).

Arne S. Berggren, Independent Non-Executive Member

Mr. Arne Berggren is an Independent Non-Executive Member of the Board of Directors of Piraeus Financial Holdings, Chairman of the Remuneration Committee and Member of the Nomination Committee. Mr. Berggren is the owner of Eusticon AB, and a Non-Executive Board Member of Bank of Cyprus and TBC Bank. From 2012 until 2015, Mr Berggren held a position as a Senior Advisor of the IMF. Mr. Berggren graduated the School of Business in New York University and the Swedish Institute of Management. He also graduated University of Geneva, University of Amsterdam and University of Uppsala.

Enrico Tommaso C. Cucchiani, Independent Non-Executive Member

Mr. Enrico Tommaso Cucchiani is an Independent Non-Executive Member of the Board of Directors of Piraeus Financial Holdings, Vice-Chairman of the Nomination Committee and Member of the Remuneration Committee. Mr. Cucchiani held a position as a Member of the Executive Board of Allianz Group and was responsible for all business in most of Europe, Latin America and Africa. Also, he was Group CEO of Intesa Sanpaolo. Mr. Cucchiani was appointed Cavaliere del Lavoro, the highest honorary title by the president of Italy, and 2006 Bocconi Man of the Year. He holds an MBA (Fullbright Fellow) from Stanford Graduate School of Business, USA and a Dottore in Economia

from Bocconi University, Italy and he has fulfilled Research Activity on Multinational Corporations in Harvard Business School, UK.

David R. Hexter, Independent Non-Executive Member

Mr. David Hexter is an Independent Non-Executive Member of the Board of Directors of Piraeus Financial Holdings, as well as Chairman of the Nomination Committee and Member of the Audit Committee. Mr. Hexter held the position of Deputy Vice President of Banking Department, as well as Chairman of Equity Investment Committee and Member of Operations Committee of the European Bank of Reconstruction and Development (1996-2004). Mr. Hexter holds an MA in Philosophy, Politics and Economics awarded by Oxford University (1970), an MBA awarded by the Cranfield School of Management (1973), an MPhil awarded by Birkbeck, University of London (2011) and a PhD from London University (2016).

Solomon A. Berahas, Independent Non-Executive Member

Mr. Solomon Berahas is an Independent Non-Executive Member of the Board of Directors of Piraeus Financial Holdings, as well as Vice-Chairman of the Risk Committee and Member of the Audit Committee and the Remuneration Committee. Mr. Berahas is Managing Director, General Manager and Board Member at Tiresias Bank Information Systems SA in Athens. From 2006 to 2012, Mr. Berahas held the position of Vice Chairman at Eurobank Financial Planning Services. Mr. Berahas holds a BSc in Industrial Engineering (1976), a MSc in Industrial Engineering and Management Information Systems (1978) and a DSc in Operations Research from Technion Israel Institute of Technology (1981).

Andrew D. Panzures, Independent Non-Executive Member

Mr. Andrew Panzures is an Independent Non-Executive Member of the Board of Directors of Piraeus Financial Holdings, as well as Vice-Chairman of the Audit Committee and the Remuneration Committee and Member of the Risk Committee. Mr Panzures is a Board Member of Interaudi Bank USA/Private Equity Investor. Mr. Panzures was a Principal/Senior Portfolio Manager at Graham Capital Management in the Global Multi Sector Macro-Graham Capital Management LLC (2011-2016). Between 2009 through 2011, Mr. Panzures was Co-CIO and a Managing Partner at Medley Macro Fund Management. From 2003 through 2008, Mr. Panzures held the position of Managing Director and CIO of Americas-New York at JPMorgan Chase. Mr. Panzures graduated from Ontario Scholar in 1977 and graduated from York University's Schulich School of Business – BBA Finance in 1981.

Anne J. Weatherston, Independent Non-Executive Member

Mrs Anne Weatherston is an Independent Non-Executive Member of the Board of Directors of Piraeus Financial Holdings, as well as a Chair of the Audit Committee and Member of the Risk Committee. She held the position of CIO of Bank of Ireland, Group CIO of Australia and New Zealand Banking Group and Chief Transformation Officer & CIO of Energy Australia. Mrs Weatherston is a Board Member of Archa Neo-Bank, ALBA Bank as well as a Board Member and Risk & Audit Chair of Mint Payments. Mrs Weatherston holds an MA on Archaeology from Glasgow University and an MBA from Strathclyde University Business School. Also, she has accomplished a Government 4-year scheme (UK program) on IT programming, she is a graduate of the Australian Institute of Directors and Chair mentoring programme and has fulfilled the Executive Leadership Training from Harvard & London Business School.

Alexander Z. Blades, Non-Executive Member

Mr. Alexander Blades is a Non-Executive Member of the Board of Directors of Piraeus Financial Holdings, as well as a Member of the Risk Committee, the Remuneration Committee and the Nomination Committee. Mr. Blades is a Partner at Paulson & Co. Inc., New York since 2009, as well as a Member of the New York State Bar and a barrister and solicitor of the High Court of New Zealand. Mr. Blades graduated with a BA (1993) and LLB (Hons) from Victoria University of Wellington in 1994 and an LLM from the University of Chicago in 1997.

Periklis N. Dontas, Non-Executive Member, HFSF Representative

Mr. Periklis Dontas is a Non-Executive Member of the Board of Directors and an HFSF Representative under the HFSF Law of Piraeus Financial Holdings, as well as a Member of the Risk Committee, the Audit Committee, the Remuneration Committee and the Nomination Committee. From 2008 to 2012, Mr. Dontas held the position of Deputy CEO and Executive Member of the Board of Directors of EFG Eurobank S.A. (Poland) and was Director at Risk Consulting and Business Development in KPMG Advisors S.A. (2016-2018). Mr. Dontas has Bachelor of Arts in Economics from The American College of Greece (1979) and earned his MA in Economics from the Essex University, UK in 1981.

Committees of the Board of Directors of Piraeus Financial Holdings and the Group Executive Committee

The organisational chart of Piraeus Financial Holdings provides for the following committees:

- the Audit Committee;
- the Risk Committee;
- the Remuneration Committee;
- the Nomination Committee; and
- the Group Executive Committee.

Audit Committee

The Audit Committee is a Board Committee comprised of Non-Executive members of the Board, the majority of whom, including its Chair, are independent within the meaning of the provisions of Law 4706/2020. The Audit Committee is chaired by an Independent Non-Executive member of the Board of Directors who meets the criteria of Article 10, paragraph 8 of the HFSF Law. The HFSF Representative participates as a member in the Audit Committee, with full voting rights. The Audit Committee is supported by an Executive Secretary and its operation is governed by Article 44 of Law 4449/2017, the respective notices, explanations and recommendations of the supervisory authorities and additionally by its Operating Regulation. Piraeus Financial Holdings has established and applies the Audit Committee Charter that was approved and entered into force pursuant to the resolution of its Board of Directors of 24 March 2021. The Audit Committee as a whole possesses appropriate competence and experience for the effective performance of its duties.

The main responsibilities of the Audit Committee are (i) to supervise and evaluate the drawing-up processes of the annual financial statements and interim financial information of the Group and Piraeus Financial Holdings prior to their publication; (ii) to supervise the audit and review Piraeus Financial Holdings' annual financial statements and mid-year interim financial information conducted by the statutory auditors and to cooperate with the statutory auditors on a regular basis; (iii) to ensure the independence of the external auditors in accordance with applicable Greek law; (iv) to propose to the Board of Directors the selection or replacement of statutory auditors; (v) to identify weaknesses, make recommendations and also monitor the implementation of measures decided by the Board of Directors; (vi) to propose measures for specific areas requiring further investigation by internal or external auditors; (vii) to monitor and evaluate on an annual basis the adequacy and effectiveness of the ICS for Piraeus Financial Holdings and the Group, based on the data and information provided by the Group Internal Audit as well as by the statutory auditors and other supervisory bodies; (viii) to evaluate the work of the Group Internal Audit, focusing on issues related to the degree of its independence, the quality and scope of its audits, the priorities determined by changes in the economic environment, the systems and in the level of risks and the overall efficiency of its operation; (ix) to determine the scope and appoint an external audit firm to assess the adequacy of the ICS, periodically, and at least every three years; (x) to monitor and evaluate on an annual basis the work of the Group Compliance Division; and (xi) to monitor and evaluate on an annual basis money laundering and terrorist financing issues.

The current composition of the Audit Committee, which was appointed by the extraordinary General Meeting of 10 December 2020 and reformed into a body and appointed a Chair at its

meeting of 22 July 2021 in accordance with Article 44 of Law 4449/2017 and in conjunction with the provisions of Law 4706/2020, was set as a six-member committee, which consists of five board members and the HFSF Representative and operates as a Board Committee with a term equal to the term of Piraeus Financial Holdings' Board of Directors, *i.e.* with a term until 26 June 2023 (which may be extended until the annual General Meeting to be convened after the end of the term of the Board of Directors) is as follows: Anne Weatherston (Chair), Andrew Panzures (Vice-Chair), David Hexter (Member), Karel De Boeck (Member), Solomon Berahas (Member) and Periklis Dontas. The latter, as representative of the HFSF, participates in the Audit Committee with full voting rights. The Audit Committee is supported by Christina Koutkia as Executive Secretary.

The composition of the Audit Committee meets the conditions of Law 4706/2020, Law 3864/2010 and Article 44 of Law 4449/2017. The majority of the members of the Audit Committee are independent, as per the provisions of Law 4706/2020: Anne Weatherston (Chair, Independent Non-Executive), Andrew Panzures (Vice-Chair, Independent Non-Executive), David Hexter (Independent Non-Executive), Karel De Boeck (Independent Non-Executive), Solomon Berahas (Independent Non-Executive) and Periklis Dontas (Non-Executive), with sufficient proven knowledge in Piraeus Financial Holdings' activity sector (banks). At least two members of the Audit Committee, Mr. David Hexter and Mr. Solomon Berahas (additionally the representative of HFSF Mr. Periklis Dontas) have proven adequate knowledge in accounting and auditing.

Biographical information for each of the members of the Audit Committee is set out under "*—Management and corporate governance of Piraeus Financial Holdings—Members of Piraeus Financial Holdings' Board of Directors*".

Risk Committee

The Risk Committee is appointed by Piraeus Financial Holdings' Board of Directors and consists of non-executive members of Piraeus Financial Holdings' Board of Directors having sufficient knowledge and experience in the field of risk management.

The Risk Committee consists of at least three members and non-executive board members, but in any case, no more than 40% of members of Piraeus Financial Holdings' Board of Directors (excluding the HFSF Representative). At least two of its members must meet the independency criteria of Laws 4261/2014, 4706/2020 and the respective Recommendation of the European Commission 2005/162/EC. The Risk Committee is chaired by the Chairman, an independent non-executive board member (whose office is incompatible with that of the Chairman of Piraeus Financial Holdings' Board of Directors and the Chairman of the Audit Committee) and is supported by an executive secretary. The Chairman of the Risk Committee must meet the requirements set by Article 10, paragraph 8, of the HFSF Law, have significant experience in commercial banking and, preferably, in risk and capital management and knowledge of the Greek and international regulatory framework. The representative of the HFSF, in accordance with the HFSF Law, participates in the Risk Committee with full voting rights.

The term of office of the members of the Risk Committee cannot be greater than that of the Board of Directors, but the Board of Directors is entitled to cease or replace them at any time.

The executive secretary of the Risk Committee is appointed by the Board of Directors. The executive secretary is directly accountable to the Risk Committee and is subject to the supervision of the internal audit unit.

Piraeus Financial Holdings has established and applies the Risk Committee Charter that was approved and entered into force pursuant to the resolution of Piraeus Financial Holdings' Board of Directors dated 24 March 2021.

The Risk Committee ensures that (i) the Group has a well-defined risk and capital strategy and risk appetite; (ii) all forms of risks (including operational risk) associated with the Group's operations are effectively covered; (iii) the Group's risk appetite is clearly communicated throughout the Group and constitutes the basis for the development of risk management policies and risk appetite limits at the Group; and (iv) the integrated control and management of risks is soundly implemented at the Group.

The current composition of the Risk Committee, which was elected by the Board of Directors on 24 June 2021, is: Karel De Boeck (Chairman), Solomon Berahas (Vice Chairman), Andrew Panzures (Member), Anne Weatherston (Member), Alexander Blades (Member) and Periklis Dontas. The latter, as representative of the HFSF, participates in the Risk Committee with full voting rights. The Risk Committee is supported by Vasiliki Doupi as Executive Secretary.

Biographical information for each of the members of the Risk Committee is set out under "*—Management and corporate governance of Piraeus Financial Holdings—Members of Piraeus Financial Holdings' Board of Directors*".

Remuneration Committee

The Remuneration Committee consists of at least three non-executive Board members, the majority of whom, including the Chair are independent within the meaning of Law 4706/2020, with the total number of its members, in any case, not exceeding 40% of the number of the members of Piraeus Financial Holdings' Board of Directors, excluding the HFSF Representative who participates in the Remuneration Committee with full voting rights, in accordance with the provisions of the HFSF Law. It is chaired by an independent non-executive member of Piraeus Financial Holdings' Board of Directors who meets the criteria set by Article 10, paragraph 8 of the HFSF Law and Law 4706/2020. Additionally, the Remuneration Committee operates under its charter that was approved and entered into force pursuant to the resolution of Piraeus Financial Holdings' Board of Directors dated 25 February 2021.

The Remuneration Committee, as a body, has collective knowledge and professional experience in remuneration issues, risk management and internal control. At least one member of the Remuneration Committee is also member of the Risk Committee to ensure compliance of the remuneration policy with the risk and capital strategy of the Group.

The Remuneration Committee is responsible for the design, monitoring and periodic review of the remuneration policy in accordance with applicable law and in alignment with the Group's strategic goals. It takes into account the risk appetite framework of the Group, the long-term interests of shareholders, investors and other stakeholders. In the scope of Remuneration Committee is also included the monitoring of a framework implementation that objectively evaluates performance and is directly linked to the determination of the remuneration of employees, risk takers and non-risk takers, the implementation of the Group's talent management and succession planning policies as well as the implementation of strategies with the purpose of building a corporate culture that will support the Group's objectives and vision. The competences of the Remuneration Committee relate to the Group.

The current composition of the Remuneration Committee, which was elected by the Board of Directors on 24 June 2021, is: Arne Berggren (Chairman), Andrew Panzures (Vice Chairman), Enrico Tommaso Cucchiani (Member), Solomon Berahas (Member), Alexander Blades (Member) and Periklis Dontas. The latter, as representative of the HFSF, participates in the Remuneration Committee with full voting rights. The Remuneration Committee is supported by Georgios Georgopoulos as Executive Secretary.

Biographical information for each of the members of the Remuneration Committee is set out under "*—Management and corporate governance of Piraeus Financial Holdings—Members of Piraeus Financial Holdings' Board of Directors*".

Nomination Committee

The Nomination Committee consists of at least three non-executive members of the Board of Directors, including a representative of the HFSF, whilst the total number of its members should not exceed 40% of the members of Piraeus Financial Holdings' Board of Directors (excluding the HFSF Representative). The majority of the members must be independent non-executive members including its Chairman, as per the provisions of Law 4706/2020.

Additionally, the Nomination Committee has established and applies its charter that was approved and entered into force pursuant to the resolution of Piraeus Financial Holdings' Board of Directors dated 23 May 2019.

The Nomination Committee is responsible, among others, for: (i) the identification and nomination of suitable candidates for election or replacement of the members of the Board of Directors; (ii) the establishment of a candidate's "independence" as well as the evaluation of the independence of the incumbent non-executive members of the Board of Directors once every two years; (iii) the review, at least on an annual basis, of the structure, size and composition of Piraeus Financial Holdings' Board of the Directors and its committees (and recommending any relevant amendments to the Board of Directors); (iv) the design of the succession planning for the Board of Directors and top executive management over the longer term; (v) the adoption of a nomination criteria policy and a diversity policy and their periodic review; and (vi) the assessment, on an annual basis, of the effectiveness of the Board of the Directors and its committees.

The Nomination Committee ensures that the members of the Board of Directors have, as a whole, sufficient knowledge of, and experience in, at least the Group's main activities, in order to exercise meaningful supervision over the Group's operations, either directly or indirectly through the various Board of Directors' committees.

The Nomination Committee takes into account on an ongoing basis the need to ensure that the decision-making process of Piraeus Financial Holdings' Board of Directors is not influenced by any one member or small group in a way that would affect the interests of the Group as a whole.

The Nomination Committee may use any resources it deems appropriate, including external consultants, and it shall be provided the adequate funds to meet this objective.

The current composition of the Nomination Committee, which was elected by the Board of Directors on 24 June 2021, is: David Hexter (Chairman), Enrico Tommaso Cucchiani (Vice Chairman), Arne Berggren (Member), Venetia Kontogouris (Member), Alexander Blades (Member) and Periklis Dontas. The latter, as representative of the HFSF, participates in the Nomination Committee, with full voting rights. The Nomination Committee is supported by Georgios Liakopoulos as Executive Secretary.

Biographical information for each of the members of the Nomination Committee is set out under "*—Management and corporate governance of Piraeus Financial Holdings—Members of Piraeus Financial Holdings' Board of Directors*".

Group Executive Committee

The Group Executive Committee consists of senior executives of the Group and is chaired by the Group's CEO, executive member of Piraeus Financial Holdings' Board of Directors.

By authorisation of Piraeus Financial Holdings' Board of Directors, the Group Executive Committee has the following responsibilities, which it may confer or assign to administrative committees, to members of the committees or executives of the Group: (i) monitors the implementation of the Group's business plan and makes the necessary decisions for the accomplishment of the objectives included in the plan; (ii) draws up the guidelines of the budget and proposes the annual budget to the Board of Directors; (iii) supervises and monitors the progress of the Group, in Greece and abroad; (iv) sets up the administrative committees and specifies their composition and responsibilities; (v) approves, supplements or amends the accounting principles of the Group; (vi) determines the interest rates policy and the pricing framework of products and services offered by the Group; (vii) approves the introduction of new products, as well as the major differentiation of the Group's existing products and services, as well as the settlement products, and specifies their pricing policy prior to their launch to customers; (viii) approves the marketing strategy and the sponsorships and monitors their implementation and effectiveness; (ix) approves the Group's technological infrastructures strategy; (x) approves the principles and rules of credit policy, as well as the regulations, manuals, policies and procedures of the Group's credit policy, which come into force for the implementation of these principles, as well as any of their amendments, following the agreement with the Compliance and Risk Officer, except for the amendments of risk appetite, which are approved by the Risk Committee; (xi) monitors and oversees the implementation of corporate governance rules and programmes and makes decisions regarding compliance measures following the recommendation of the responsible units or committees; (xii) approves the human resources' programmes (such as voluntary exit scheme, remunerations, insurance and other

benefits), always within the limits set by the Group's remuneration policy under delegation of the relevant responsibility from Piraeus Financial Holdings' Board of Directors; (xiii) approves the executives' promotions to grades higher than that of a "Director"; (xiv) determines, within the range of its own approval powers, the approval limits of the Group's administrative committees and executives for the issues not related to the credit approval; (xv) informs Piraeus Financial Holdings' Board of Directors, through its Chairman, at least on a quarterly basis, that the Group Executive Committee's operation is consistent with the business strategy as well as the risk strategy of the Group; and (xvi) approves the initiation of collaborations in the sectors or branches of the economy, on the relevant recommendation of the heads of the responsible business units or support units.

The current composition of the Group Executive Committee, which was elected by the Board of Directors on 4 August 2020, is: Christos Megalou (Chairman), Athanasios Arvanitis (Member), Eleni Vrettou (Member), Theodoros Gnardellis (Member), George Georgopoulos (Member), George Kormas (Member), Vasileios Kountentakis (Member), Dimitrios Mavroyiannis (Member), Emmanouil Bardis (Member), Konstantinos Paschalis (Member) and Ioannis Stamoulis (Member). The Group Executive Committee is supported by Georgios Liakopoulos as Executive Secretary.

Group Internal Audit Unit

The Group Internal Audit Unit of Piraeus Financial Holdings exercises high supervision of the Group's internal audit activity, while it is overall responsible for the Group's entire internal audit function.

The Group Internal Audit Unit has its own annual audit plan and annual budget, which is submitted for approval to the Board of Directors through the Audit Committee and is administratively independent from other units and abstains from any executive and operational responsibilities. It also occupies full-time staff on an exclusive basis, not reporting to any other unit while any transfer of a member of its staff to other unit is subject to the Chief Audit Officer's approval and notification of the Audit Committee.

The planning of audit engagements is the outcome of a risk assessment process. The audit cycle, within which the audit areas are covered depending on the significance of the respective risk, is determined. The audit cycle is approved and amended only upon decision of the Audit Committee.

The Group Internal Audit Unit assesses, *inter alia*, whether (i) the risks related to the achievement of the strategic objectives are appropriately identified and managed; (ii) the staff actions comply with the established policies, procedures as well as the applicable laws, regulations and governance standards; (iii) operations are carried out effectively and efficiently; (iv) financial or non-financial information and the means used to identify, measure, analyse, classify, and report are reliable, accurate and complete; and (v) resources and assets are used effectively, efficiently and safely.

Chief Audit Officer

Piraeus Financial Holdings appointed Mrs. Pavlina Vitzilaiou as Chief Audit Officer on 30 December 2020.

The Chief Audit Officer is appointed by Piraeus Financial Holdings' Board of Directors, following relevant proposal of the Audit Committee, is employed on a full-time and exclusive basis, is personally and functionally independent and objective, and has a sound background and adequate professional experience. The Chief Audit Officer reports functionally to Piraeus Financial Holdings' Board of Directors through the Audit Committee and administratively to the Chief Executive Officer.

Mrs. Pavlina Vitzilaiou is employed by Piraeus Financial Holdings on a full-time and exclusive basis, has a sound background and adequate and extensive professional experience in internal audit and advisory risk services. She holds a Bachelor in Business Administration (Deree College) and a Master of Science in Management (University of Surrey, UK). She is certified fraud examiner (CFE - ACFE), certified in risk management assurance (CRMA - IIA).

The Internal Audit Unit of Piraeus Financial Holdings is governed by the Internal Audit Charter, which sets out and illustrates the principles and the framework governing the internal audit

activity in Holdings and was approved by Piraeus Financial Holdings' Board of Directors on 25 February 2021.

The Internal Operating Regulation of Piraeus Financial Holdings, which includes the necessary rules and regulates the required procedures to ensure the orderly functioning of Piraeus Financial Holdings' internal control was approved and entered into force pursuant to the resolution of No. 1493/24.06.2021 of Piraeus Financial Holdings' Board of Directors".

Management and corporate governance of Piraeus Bank

The main administrative, management and supervisory bodies of Piraeus Bank are the Board of Directors and the Committees of the Board of Directors (namely the Audit Committee, the Risk Committee, the Remuneration Committee and the Nomination Committee) and the Group Executive Committee, which coincide and have the same composition with the respective ones of Piraeus Financial Holdings.

Conflicts of interest

Neither Issuer is aware of any potential conflicts of interest between the duties towards the relevant Issuer of the Directors listed above and their private interests or other duties.

REGULATORY CONSIDERATIONS

All references herein to Bank are to Piraeus Bank Société Anonyme.

Introduction

The Group is subject to various financial services laws, regulations, administrative actions and policies in each jurisdiction where its members operate. In addition, through the trading of its ordinary shares on the ATHEX, Piraeus Financial Holdings is also subject to applicable capital markets laws in Greece.

The Bank of Greece is the central bank in Greece and an integral part of the Eurosystem and, together with the other national central banks of the Euro area and the ECB, participates in the formulation of the single monetary policy for the Euro area. The ECB is the central bank for the Euro and manages the Eurozone's monetary policy. Among other tasks, the ECB, through the SSM, also has direct supervisory competence in respect of credit institutions, financial holding companies, mixed financial holding companies established in participating member states, and branches in participating member states of credit institutions established in non-participating member states that are significant. The national competent authorities (the "NCAs") are responsible for directly supervising the entities that are less significant, without prejudice to the ECB's power to decide in specific cases to directly supervise such entities where this is necessary for the consistent application of supervisory standards.

In relation to Piraeus Financial Holdings and the Bank, pursuant to its decision dated 21 December 2020, the ECB has decided that:

(a) Piraeus Financial Holdings and the Bank are a significant supervised group within the meaning of point (22) of Article 2 of Regulation (EU) No 468/2014 of the ECB;

(b) Piraeus Financial Holdings is classified as a significant supervised entity within the meaning of Article 6(4) of Regulation (EU) No 1024/2013; and

(c) Piraeus Financial Holdings is considered to be the entity at the highest level of prudential consolidation within that supervised group.

The ECB is exclusively responsible for the prudential supervision of significant supervised groups, such as Piraeus Financial Holdings and the Bank, which includes the power to:

- authorise and withdraw authorisations;
- for credit institution that wish to establish a branch or provide cross-border services in a country outside the Eurozone, carry out the tasks which the competent authority of the home member state shall have under the relevant EU law;
- assess the acquisition and disposal of qualifying holdings;
- ensure compliance with all prudential requirements and set, where necessary, higher prudential requirements, for example for macro-prudential reasons to protect financial stability under the conditions provided by EU law;
- ensure compliance with the applicable governance requirements, including the fit and proper requirements for the persons responsible for the management of credit institutions, risk management processes, internal control mechanisms, remuneration policies and practices and effective internal capital adequacy assessment processes;
- carry out supervisory reviews, including where appropriate in coordination with the EBA, stress tests and, on the basis of that supervisory review, impose specific additional own funds requirements, specific publication requirements, specific liquidity requirements and other measures, where specifically made available to competent authorities by relevant EU law; and

- impose a wide range of supervisory measures, depending on the bank's risk profile assessment.

As regards the monitoring of credit institutions, the NCAs will continue to be responsible for supervisory matters not conferred on the ECB, such as consumer protection, money laundering, payment services, and branches of third country credit institutions.

The ECB also has the right to impose pecuniary sanctions.

Prudential supervision of financial holding companies

Approval of financial holding companies

In accordance with CRD V, parent financial holding companies, such as Piraeus Financial Holdings, should seek approval by their consolidating supervisor and, where different, the competent authority in the Member State where they are established.

Pursuant to article 22A of the Banking Law (which transposed par. 9 of article 1 of CRD V into Greek law), Piraeus Financial Holdings will be required to seek approval by the ECB, as its consolidating supervisor, in accordance with with the process stipulated in the Banking Law in order to act as the financial holding company of Piraeus Bank Société Anonyme. Such approval would be granted only where all of the following conditions are fulfilled:

- the internal arrangements and distribution of tasks within the group are adequate for the purpose of complying with the requirements imposed by the Banking Law and the CRR on a consolidated or sub-consolidated basis and, in particular, are effective to: (i) coordinate all the subsidiaries of Piraeus Financial Holdings including, where necessary, through an adequate distribution of tasks among subsidiary institutions; (ii) prevent or manage intra-group conflicts; and (iii) enforce the group-wide policies set by Piraeus Financial Holdings throughout the group;
- the structural organisation of the group of which Piraeus Financial Holdings is part does not obstruct or otherwise prevent the effective supervision of the subsidiary institutions as concerns the individual, consolidated and, where appropriate, sub-consolidated obligations to which they are subject. The assessment of that criterion shall take into account, in particular: (i) the position of Piraeus Financial Holdings in a multi-layered group; (ii) the shareholding structure; and (iii) the role of Piraeus Financial Holdings within the group;
- the criteria set out in Article 14 and the requirements laid down in Article 114 of the Banking Law are complied with.

The approval process may take up to six months from receipt of the relevant application.

Where the ECB has established that the conditions set out above are not met or have ceased to be met, Piraeus Financial Holdings shall be subject to appropriate supervisory measures to ensure or restore, as the case may be, continuity and integrity of consolidated supervision and ensuring compliance with the requirements that would be laid down in the Banking Law and in CRR on a consolidated basis. These supervisory measures may include:

- suspending the exercise of voting rights attached to the shares of the subsidiary institutions held by the Piraeus Financial Holdings;
- issuing injunctions or penalties against Piraeus Financial Holdings or the members of the management body and managers, subject to the provisions of articles 57 – 64 of the Banking Law;
- giving instructions or directions to Piraeus Financial Holdings to transfer to its shareholders the participations in its subsidiary institutions;
- designating on a temporary basis another financial holding company, mixed financial holding company or institution within the group as responsible for ensuring

compliance with the requirements laid down in the Banking Law and in CRR on a consolidated basis;

- restricting or prohibiting distributions or interest payments to shareholders;
- requiring Piraeus Financial Holdings to divest from or reduce holdings in institutions or other financial sector entities; and
- requiring Piraeus Financial Holdings to submit a plan on return, without delay, to compliance.

The regulatory framework – prudential supervision of credit institutions

Credit institutions operating in Greece are required, among other things, to:

- Calculate, observe and report liquidity ratios prescribed by the applicable provisions of the Banking Law, the CRR and the relevant Bank of Greece Governor's Acts, to the extent that such acts are not contrary to the provisions of CRD IV;
- maintain efficient internal audit, compliance and risk management systems and procedures, in accordance with the Bank of Greece Governor's Act No. 2577/2006, as amended and supplemented by subsequent decisions of the Governor of the Bank of Greece, the Bank of Greece Executive Committee and the Banking and Credit Committee of the Bank of Greece;
- submit to the Bank of Greece periodic reports and statements required under Bank of Greece Governor's Act No. 2651/2012, as amended and in force;
- disclose data regarding the bank's financial position and its risk management policy;
- provide the Bank of Greece and, where relevant, the ECB with such further information as they may require;
- in connection with certain operations or activities, notify or request the prior approval of the ECB acting in co-operation with the Bank of Greece or the Bank of Greece, as the case may be, in each case in accordance with the applicable laws of Greece and the relevant acts, decisions and circulars of the Bank of Greece (each as in force from time to time); and
- permit the Bank of Greece and, where relevant, the ECB to conduct audits and inspect books and records of the bank, in accordance with the Banking Law and certain Bank of Greece Governor's Acts.

If a credit institution breaches any law or regulation falling within the scope of the supervisory power attributed to the ECB or, as the case may be, the Bank of Greece, the ECB or the Bank of Greece, respectively, is empowered, among others, to:

- require the credit institution to strengthen their arrangements, processes and strategies;
- sanction misconducts;
- require the credit institution to take appropriate measures (which may include prohibitions or restrictions on dividends, requiring a share capital increase or requiring prior approval for future transactions) to remedy the breach;
- impose fines, in accordance with (i) Article 55A of the Articles of Association of the Bank of Greece and (ii) the provisions of the Banking Law;
- appoint a commissioner; and
- where the breach cannot be remedied, revoke the licence of the credit institution and place it in a state of special liquidation.

Credit institutions established in Greece are subject to a range of reporting requirements, including the submission of reports relating to:

- capital structure, qualifying holdings, persons who have a special affiliation with the institution and loans or other types of credit exposures that have been provided to these persons by the institution;
- own funds and capital adequacy ratios;
- capital requirements for all kinds of risks;
- large exposures and concentration risk;
- liquidity risk;
- interbank market details;
- financial statements and other financial information;
- covered bonds;
- internal control systems;
- prevention and suppression of money laundering and terrorist financing; and
- IT systems.

Capital adequacy framework

In December 2010, the Basel Committee on Banking Supervision issued two prudential regulation framework documents which contained the Basel III capital and liquidity reform package. The Basel III framework has been implemented in the EU through CRD IV and the CRR, which have been transposed into Greek law where applicable. In June 2020, the EU Council approved Regulation (EU) 2020/873 ("CRR Quick Fix") amending CRR and CRR II to mitigate the economic effects of the COVID-19 pandemic.

Full implementation of the Basel III framework began on 1 January 2014, with particular elements being phased in over the period to 2019, although some minor transitional provisions provide for phase-in until 2024.

The major points of the capital adequacy framework include:

Quality and quantity of capital

The definition of regulatory capital and its components has been revised at each level. A minimum CET1 capital ratio of 4.5%, a minimum Tier 1 capital ratio of 6% and a minimum Total Capital Ratio of 8% have been imposed, and there is a requirement for Additional Tier 1 Instruments to have a mechanism that requires them to be written down or converted on the occurrence of a trigger event.

Capital adequacy is monitored on the basis of the consolidated situation of Piraeus Financial Holdings and is submitted quarterly to the ECB.

The main objectives of the Group related to its capital adequacy management are the following:

- Comply with the capital requirements regulation according to the supervisory framework.
- Preserve the Group's ability to continue unhindered its operations.
- Retain a sound and stable capital base supportive of the Bank's management business plans.

- Maintain and enhance existing infrastructures, policies, procedures and methodologies for the adequate coverage of supervisory needs, in Greece and abroad.

The Group applies the following methodologies for the calculation of Pillar I capital requirements:

- the standardised approach for calculating credit risk;
- the mark-to-market method for calculating counterparty credit risk;
- the standardised approach for calculating market risk;
- the standardised approach for calculating credit valuation adjustment risk; and
- the standardised approach for calculating operational risk.

Capital buffer requirements

In addition to the minimum capital ratios described above, banks are required under Article 121 *et seq*. of the Banking Law to comply with the combined buffer requirement consisting of the following additional capital buffers:

- a capital conservation buffer of 2.5% of risk-weighted assets;
- a systemic risk buffer ranging between 1% and 5% of risk-weighted assets designed to prevent and mitigate long-term non-cyclical systemic or macro-prudential risks not covered by the CRR. This buffer has not been applied in Greece to date;
- a countercyclical buffer ranging between 0% and 2.5% of risk-weighted assets depending on macroeconomic factors. In line with previous years, this buffer has been specified at 0% for Greek credit institutions for the third quarter of 2021 pursuant to the Decision 190/16.06.2021 of the Executive Committee of the Bank of Greece. The countercyclical buffer should be built up when aggregate growth in credit and other asset classes with a significant impact on the risk profile of such credit institutions are judged to be associated with a build-up of system-wide risk, and drawn down during stressed periods;
- an O-SII buffer which, for the Bank, ranges between 1% and 3% of risk-weighted assets. Potentially, the Bank of Greece shall have the power to require an O-SII buffer higher than 3%, subject to receiving approval for said requirement by the European Commission. For Piraeus Bank, the O-SII buffer was set at 0.25% in 2019 and will phase in to 0.75% over four years from 2019 to 2023; and
- a G-SII buffer ranging between 1% and 5% of risk-weighted assets designed to prevent and mitigate long-term non-cyclical systemic or macro-prudential risks not covered by the CRR. As none of the Greek banks has been classified as G-SII, consequently the G-SII buffer has not been applied in Greece to date.

Depletion of these buffers will trigger limitations on dividends, distributions on capital instruments and variable compensation. The said buffers are designed to absorb losses in stress periods.

Article 473a of the CRR allows banks to mitigate the impact of the introduction of IFRS 9 on regulatory capital and leverage ratios during a 5-year transitional period. According to Article 473a of the CRR, banks may add to the CET1 ratio the post-tax amount of the difference in provisions that resulted from the transition to the IFRS 9 in relation to the provisions that have been recognised at 31 December 2018 in accordance with IAS 39. The weighting factors were set per year at 0.95 in 2018, 0.85 in 2019, 0.70 in 2020, 0.5 in 2021 and 0.25 in 2022. Under the CRR Quick Fix transitional arrangements are extended only for the dynamic component to address the potential increase in ECL provisions following the COVID-19 pandemic. The reference date for any increase in provisions that would be subject to the extended transitional arrangements was moved from 1 January 2018 to 1 January 2020. Amended par. 6a of article 473a of the CRR extended the transition for the dynamic

component, allowing institutions to fully add-back to their CET1 capital any increase in new provisions recognised in 2020 and 2021 for their financial assets that are not credit-impaired. The amount that could be added back from 2022 to 2024 would decrease in a linear manner.

The Bank has decided to avail itself of Article 473a and applies the transitional provisions in calculating capital adequacy on both a standalone and consolidated basis.

Deductions from CET1

The definition of items that should be deducted from regulatory capital has been revised. In addition, most of the items that were required to be deducted from regulatory capital are now deducted in whole from the CET1 component.

Central counterparties

To address the systemic risk arising from the interconnectedness of credit institutions and other financial institutions through the derivatives markets, a 2% risk-weight factor was introduced to certain trade exposures to qualifying central counterparties. The capitalisation of credit institution exposures to central counterparties is based in part on the compliance of the central counterparty with the International Organisation of Securities Commissions' standards (since non-compliant central counterparties are treated as bilateral exposures and do not receive the preferential capital treatment referred to above).

Asset value correlation multiplier for large financial sector entities

A multiplier of 1.5% is to be applied to the correlation parameter of all exposures to large financial sector entities meeting particular criteria that are specified in the CRR.

Counterparty credit risk

The counterparty credit risk management standards have been raised in a number of areas, including for the treatment of so-called wrong-way risk, that is, cases where the exposure increases when the credit quality of the counterparty deteriorates. For example, the CRR introduced a capital charge for potential mark-to-market losses associated with deterioration in the creditworthiness of a counterparty and the calculation of expected positive exposure by taking into account stressed parameters.

Liquidity requirements

A liquidity coverage ratio, which is an amount of unencumbered, high-quality liquid assets that must be held by a bank to offset estimated net cash outflows over a 30-day stress scenario has been introduced. The ratio requirement is 100% In addition, a NSFR, which is the amount of longer-term, stable funding that must be held by a bank over a one-year timeframe based on liquidity risk factors assigned to assets and off-balance sheet liquidity exposures, is envisaged. The NSFR ratio requirement is the amount of longer-term, stable funding that must be held by a credit institution over a one-year timeframe based on liquidity risk factors assigned to assets and off-balance sheet liquidity exposures.

In order to foster consistency and efficiency of supervisory practices across the EU, the EBA is continuing to develop the EBA Single Rulebook, a supervisory handbook applicable to EU member states. However, the EBA Single Rulebook has not yet been finalised.

Recent developments

In April 2019, the European Parliament endorsed a package of measures that impact both capital requirements and resolution powers. The legislative texts were published in the Official Journal of the EU in June 2019. The package contains a number of measures, including:

- a leverage ratio requirement for all institutions as well as a leverage ratio buffer for all global systemically important institutions;
- a new market risk framework for reporting purposes;

- revised rules on capital requirements for counterparty credit risk and for exposures to central counterparties;
- a revised Pillar 2 framework;
- an updated macro-prudential toolkit;
- targeted amendments to the credit risk framework to facilitate the disposal of NPEs;
- enhanced prudential rules in relation to anti-money laundering;
- a new total loss absorbing capacity (TLAC) requirement for global systemically important institutions;
- enhanced MREL subordination rules for G-SIIs and other large banks referred to as top-tier banks; and
- a new moratorium power for the resolution authority.

Leverage ratio

The financial crisis highlighted that institutions were taking on greater exposures (for example, loans, derivatives and guarantees) but raising only relatively limited amounts of additional capital. The new package introduces a binding leverage ratio requirement (that is, a capital requirement independent from the riskiness of the exposures, as a backstop to risk-weighted capital requirements) for all institutions subject to the CRR. The leverage ratio requirement complements the existing framework to calculate the leverage ratio, to report it to supervisors and, since January 2015, to disclose it publicly. The leverage ratio requirement is set at 3% of Tier 1 capital and institutions must meet it in addition to/in parallel with their risk-based capital requirements. The 3% leverage ratio requirement was set to become binding for banks on 28 June 2021 however, on 18 June 2021, the ECB announced that the leverage ratio relief measure originally adopted in September 2020 and set to expire on 27 June 2021, whereby significant supervised entities (such as the Bank) were permitted to exclude central bank exposures from their leverage ratio, is extended until 31 March 2022 due to the continuing exceptional circumstances caused by the COVID-19 pandemic.An additional leverage buffer applies to G-SIIs but the Bank is not a G-SII.

MREL subordination rules

In order to ensure effective and credible application of the bail-in resolution tool to impose losses on banks' creditors in the case of a banking crisis, banks are subject to an MREL, with the relevant instruments earmarked for bail-in in a crisis. The EU resolution framework requires banks to comply with the MREL at all times by holding easily "bail-inable" instruments, so as to ensure that losses are absorbed and banks are recapitalised once they get into a financial difficulty and are subsequently placed into resolution.

The package proposes to tighten the rules on the subordination of MREL instruments. Beyond the existing G-SII category, a new category of large banks, called "top-tier banks" with a balance sheet size greater than €100 billion, has been established in relation to which more prudent subordination requirements are formulated. National resolution authorities may also select banks which are neither G-SIIs nor top tier banks and subject them to the top-tier bank treatment. An MREL minimum pillar 1 subordination policy for each of these two categories of bank has been agreed. For other banks, the subordination requirement remains a bank-specific assessment based on the principle of "no creditor worse off".

On 20 May 2020, the SRB issued a new MREL policy, which it will apply under the Banking Reform Package, indicating that its MREL decisions implementing the new framework will be taken based on such policy in the 2020 resolution planning cycle and that those decisions will be communicated to banks in early 2021 setting out binding MREL targets, including those for subordination: the fully calibrated MREL target to be met by 1 January 2024. However, in light of the COVID-19 pandemic, the SRB noted that it will take a forward-looking approach for banks that may face difficulties meeting those targets, before new decisions take effect and that in the 2020 resolution planning cycle, MREL targets will be set according to a transition period, that is setting the

final target for compliance by 2024 on the basis of recent MREL data and reflecting changing capital requirements. The Bank has been granted a time extension to meet the respective final target until 31 December 2025. For Piraeus Bank, the fully calibrated MREL target to be met by 31 December 2025 is 23.23%. For Piraeus Bank Société Anonyme, the interim binding MREL target to be met by 1 January 2022, as initially determined by the SRB for the 2020 cycle, amounts to 12.89% of its total risk exposure amount plus combined buffers, while the fully calibrated MREL (final target) to be met by 31 December 2025 stands at 23.23% of its total risk exposure amount plus combined buffers, noting that the formal decision by the relevant decision-making body (NRA) has not yet been adopted.

On 26 May 2021, the SRB published an updated MREL policy based on the changes required by the Banking Package, which could potentially result in new binding MREL targets for European banks and banking groups, including the Issuers. In particular, the updated policy (i) introduces, inter alia, the MREL maximum distributable amount which allows the SRB to restrict banks' earnings distribution if there are MREL breaches as well as policy criteria to identify systemic subsidiaries for which granting of an internal MREL waiver would raise financial stability concerns (based on the absolute asset size and relative contribution to resolution group) and (ii) refines the methodology to estimate the Pillar 2 requirements post-resolution (i.e. one of the components used for MREL calibration), the MREL calibration on preferred *vs* variant resolution strategy and the MREL calibration methodology for liquidation entities.

Moratorium power for resolution authorities

In order to avoid excessive outflows of liquidity in a bank resolution, the package proposes a moratorium power, which should be triggered after a bank is declared "failing or likely to fail". The power to impose the moratorium also includes covered deposits and can be imposed for a maximum duration of two days, in line with International Swaps and Derivatives Association agreements.

COVID-19 pandemic related measures

In reaction to the COVID-19 pandemic, among others:

- On 12 March 2020, the ECB announced measures expected to provide capital relief to banks in support of the economy. These measures include the permission to (i) operate temporarily below the level of capital defined by Pillar 2 Guidance, the capital conservation buffer and the LCR and (ii) use capital instruments that do not qualify as CET1 (for example Additional Tier 1 and Tier 2 capital instruments) to meet Pillar 2 Guidance (anticipating the entry into force of Article 104 of the CRR II);
- On 20 March 2020, the ECB announced that it has introduced supervisory flexibility regarding the treatment of NPEs, in particular to allow banks to fully benefit from guarantees and moratoriums put in place by public authorities to tackle the current distress. In such connection, ECB indicated that it will exercise flexibility regarding the classification of debtors as "unlikely to pay" when banks call on public guarantees granted in the context of coronavirus, as well as certain flexibilities regarding loans under COVID-19 related public moratoria. In addition, loans which become non-performing and are under public guarantees will benefit from preferential prudential treatment in terms of supervisory expectations about loss provisioning, while supervisors will deploy full flexibility when discussing with banks the implementation of NPE reduction strategies, taking into account the extraordinary nature of current market conditions; and
- CRR Quick Fix was enacted in June 2020 amending CRR and CRR II to encourage banks to continue lending to businesses and households during the crisis caused by the COVID-19 pandemic and to absorb the economic shock of the pandemic. Among other things, this regulation:

  (i) extends the transitional arrangements for mitigating the impact of the International Financial Reporting Standard (IFRS) 9 provisions on regulatory capital;

(ii) applies a preferential treatment for publicly guaranteed loans under the prudential backstop for NPEs available under the CRR;

(iii) delays until 1 January 2023 the application of the leverage ratio buffer for G-SIIs;

(iv) reflects more favourable prudential treatment of SME and infrastructure exposures as well as loans to pensioners and employees (with a permanent contract) backed by the borrower's pension or salary;

(v) recalibrates the mechanism for offsetting the impact of excluding certain exposures from the calculation of the leverage ratio; and

(vi) brings forward the dates of application of certain reforms introduced by the CRR II.

On 26 June 2020, the Bank of Greece, pursuant to an Act of its Executive Committee, determined the capital buffer of systemically important institutions (O-SII) at 0.50%, maintaining stable for 2021 and extending consequently the existing phasing-in period. The third and the fourth phases have been delayed by 12 months each and will apply starting from 1 January 2022 and 1 January 2023 respectively. This decision is in the context of the response to COVID-19 pandemic in order to mitigate the subsequent financial impact.

On 22 December 2020, EU Regulation 2176/2020 of the Council of 12 November 2020, amending EU Regulation 241/2014 concerning the deduction of software assets from CET1 capital, was published in the Official Journal of the European Union.

On 18 June 2021, the ECB announced that the leverage ratio relief measure originally adopted in September 2020 and set to expire on 27 June 2021, whereby significant supervised entities (such as the Bank) were permitted to exclude central bank exposures from their leverage ratio, is extended until 31 March 2022 due to the continuing exceptional circumstances caused by the COVID-19 pandemic.

Equity participations of individuals or legal entities in Greek credit institutions

Any individual or legal entity, separately or jointly, intending to acquire, directly or indirectly, a significant holding (*i.e*. a percentage that is equal or exceeds (in case of an initial acquisition) 10% or increase a holding and reaches or exceeds the thresholds of 20%, 1⁄3, 50% of the voting rights or equity participation in, or acquire control of, a Greek credit institution, or so that the credit institution would become its subsidiary, must notify in writing in advance the supervisory authority of such intention, pursuant to Article 23 of the Banking Law and Articles 4 and 9 of the SRM Regulation (as defined herein) and go through an assessment review process (commonly known as "fit and proper"), pursuant to which the supervisory authority would confirm the fulfilment of the relevant suitability criteria. An envisaged acquisition of a percentage between 5% and 10% entails the obligation to inform the supervisory authority of the contemplated acquisition so that such authority confirms within five (5) business days whether the above would entail the exercise of significant influence, in which case fulfilment of the relevant assessment criteria is also reviewed.

The Bank of Greece, in cooperation with the ECB, assesses the acquiror for the approval of the contemplated acquisition.

The notification obligations also exist where an individual or legal entity decides to cease to hold, directly or indirectly, an equity participation in a Greek bank or to reduce its participation below legally defined thresholds.

Recovery and resolution of credit institutions

On 15 May 2014, the European Parliament and the Council of the EU adopted Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms (commonly referred to as the BRRD) which was transposed in Greece pursuant to the Greek BRRD Law. For credit institutions established in the Eurozone, such as the Bank, which are supervised within the framework of the SSM, Regulation (EU) No 806/2014 of the European

Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010 (the "SRM Regulation") provides for a coherent application of the resolution rules across the Eurozone under responsibility of the SRB, which is an EU agency, with effect since 1 January 2016 (this framework is referred to as the "Single Resolution Mechanism", the "SRM").

Within the SRM, the SRB is responsible for adopting resolution decisions in close cooperation with the ECB, the European Commission, the Council of the EU and national resolution authorities in the event that a significant credit institution and/or its parent financial holding company directly supervised by the ECB, such as the Bank and Piraeus Financial Holdings, respectively, is failing or likely to fail and certain other conditions are met. The national resolution authorities in the EU member states concerned would implement such resolution decision adopted by the SRB in accordance with the powers conferred on them under the national laws transposing the BRRD. The national resolution authority competent for Greece is the Bank of Greece.

The BRRD was amended by Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 (BRRD, as amended, "BRRD II"). In addition, the SRM Regulation was amended by Regulation (EU) 2019/877 of the European Parliament and of the Council of 20 May 2019 (the SRM Regulation, as amended, the "SRM Regulation II").

The BRRD II was transposed in Greece by virtue of law 4799/2021, while the SRM Regulation II came into force on 28 December 2020.

Single Resolution Mechanism

If the Bank and/or Piraeus Financial Holdings infringes or is likely in the near future to infringe capital or liquidity requirements, the ECB has the power to impose early intervention measures. These measures include the power to require changes to the legal or operational structure of the entity concerned, or its business strategy, and the power to require the managing board to convene a general meeting of shareholders of the entity concerned at which the ECB may set the agenda and require certain decisions to be considered for adoption by such general meeting.

The SRB is responsible for preparing resolution plans for, and directly resolving, all banks and groups directly supervised by the ECB and other cross-border groups. In most cases, the ECB would notify the SRB, the European Commission and the relevant national resolution authorities that a bank and/or its parent company is failing. The SRB would then assess whether there is a systemic threat and any private sector solution.

In certain circumstances, including if a bank and/or its parent company reaches a point of non-viability or where certain forms of extraordinary public financial support are required, the SRB in close co-operation with the relevant national resolution authority may take pre-resolution measures, including the write-down and cancellation of shares and the conversion of capital instruments and eligible liabilities into shares. If a bank and/or its parent company meets the conditions for resolution, the SRB may apply the relevant resolution tools and exercise the relevant resolution powers in line with the resolution plan prepared by the SRB. See "*—Recovery and resolution powers*". This process is known as "Public Interest Assessment" which is one of the key policies underpinning the work of the SRB. It examines whether the resolution of a particular bank which is failing or likely to fail, would be necessary to ensure, for example, one or more of the following objectives: maintaining financial stability, protecting covered depositors and safeguarding public funds by minimizing reliance on extraordinary public financial support. If such process is not deemed necessary, national insolvency procedures would apply.

The European Commission is responsible for assessing the discretionary aspects of the SRB's decision and endorsing or objecting to the resolution scheme. The European Commission's decision is subject to approval or objection by the European Council only when the amount of resources drawn from the Single Resolution Fund (the "SRF") is modified or if there is no public interest in resolving the entity concerned. If the European Council or the European Commission objects to the resolution scheme, the SRB must amend it. The resolution scheme, once approved,

is implemented by the national resolution authorities. If resolution entails state aid, the European Commission must approve the aid before the SRB can adopt the resolution scheme.

The SRB also determines the MREL targets that must be complied with at all times; see "— *Resolution tools*".

All the banks in the participating member states contribute to the SRF. The SRF was established for the purpose of ensuring the efficient application of the resolution tools and exercise of the resolution powers by the resolution authorities. The SRF consists of contributions from credit institutions and certain investment firms in the participating member states of the SRM. The SRF has a target funding level of €55 billion or at least 1% of the amount of covered deposits of all credit institutions within the Banking Union (expected to be reached by 31 December 2023). The SRF is owned and administered by the SRB.

Recovery and resolution powers

The resolution powers are divided into three categories:

- *Preparation and prevention*: Banks and/or their parent companies are required to prepare recovery plans while the Relevant Resolution Authority (in the case of Piraeus Financial Holdings and the Bank, the SRB) prepares a resolution plan for each entity concerned at a stand-alone or consolidated level, as applicable. The resolution authorities have supervisory powers to address or remove impediments to resolvability. Financial groups may also enter into intra-group support agreements to limit the development of a crisis;
- *Early intervention*: The competent authority (which, in the case of Piraeus Financial Holdings and the Bank and for this purpose is the ECB) may arrest a deteriorating situation of the entity concerned at an early stage so as to avoid insolvency. Its powers in this respect include requiring the entity concerned to implement its recovery plan, replacing existing management, drawing up a plan for the restructuring of debt with its creditors, changing its business strategy and changing its legal or operational structures. If these tools are insufficient, new senior management or a new management body may be appointed subject to the approval of the resolution authority which is also entitled to appoint one or more temporary administrators; and
- *Resolution*: This involves reorganising or winding down the entity or entities concerned in an orderly fashion outside special liquidation proceedings while preserving its or their critical functions and limiting to the maximum extent possible taxpayer losses.

Conditions for resolution

The conditions that have to be met before the resolution authority takes a resolution action are:

- the competent authority, after consulting with the resolution authority, determines that the entity concerned is failing or likely to fail. An entity will be deemed to be failing or likely to fail in one or more of the following circumstances:
  - (i) it infringes or is likely to infringe the requirements for continuing authorisation in a way that would justify the withdrawal of its authorisation, for example by incurring losses that will deplete all or a significant amount of its own funds;
  - (ii) its assets are, or there is objective evidence that its assets will in the near future be, less than its liabilities;
  - (iii) it is, or there is objective evidence that it will in the near future be, unable to pay its debts or other liabilities as they fall due; or
  - (iv) extraordinary public financial support is required, unless the support takes one of the forms specified in the BRRD;

- having regard to timing and other relevant circumstances, there is no reasonable prospect that any alternative private sector or supervisory action, including early intervention measures or the write down or conversion of relevant capital instruments and eligible liabilities, would prevent the failure of the entity concerned within a reasonable timeframe; and

- a resolution action is in the public interest, that is, it is necessary for the achievement of, and is proportionate to, one or more of the resolution objectives set out in the Greek BRRD Law and the winding up of the entity concerned under normal special liquidation proceedings would not meet those resolution objectives to the same extent.

Resolution tools

When the trigger conditions for resolution are satisfied, the Relevant Resolution Authority may apply any or all of the following tools:

- the ***sale of business tool***, which enables the resolution authority to transfer ownership of, or all or any assets, rights or liabilities of, the entity concerned to a purchaser (that is not a bridge institution) on commercial terms without requiring the consent of the shareholders or, save as required by the Greek BRRD Law, complying with the procedural requirements that would otherwise apply;

- the ***bridge institution tool***, which enables the resolution authority to transfer ownership of, or all or any assets, rights or liabilities of, the entity concerned to a publicly controlled entity known as a bridge institution without requiring the consent of the shareholders. The operations of the bridge institution are temporary, the aim being to sell the business to the private sector when market conditions are appropriate;

- the ***asset separation tool***, which enables the resolution authority to transfer some or all of the assets, rights and liabilities of the entity concerned, without obtaining the consent of shareholders, to an asset management vehicle to allow them to be managed and worked out over time. This tool may only be used when: (i) the market situation for the assets concerned is such that their liquidation under normal special liquidation proceedings could have an adverse effect on one or more financial markets; or (ii) the transfer is necessary to ensure the proper functioning of the entity concerned under resolution or the bridge institution; or (iii) the transfer is necessary to maximise liquidation proceeds. This tool may be used only in conjunction with other tools to prevent an undue competitive advantage for the failing entity; and

- the ***bail-in tool***, which gives the resolution authority the power to write down eligible liabilities of the entity concerned and/or to convert such claims to equity. The resolution authority may use this tool only (i) to recapitalise the entity concerned to the extent sufficient to restore its ability to comply with the conditions for its authorisation, to continue to carry out the activities for which it is authorised and to restore it to financial soundness and long-term viability or (ii) to convert to equity or reduce the principal amount of obligations or debt instruments that are transferred to a bridge institution (with a view to providing capital to the bridge institution) or that are transferred under the sale of business tool or the asset separation tool.

When using the bail-in tool, the Relevant Resolution Authority must write down or convert obligations of an entity under resolution in the following order:

(a) CET1;

(b) Additional Tier 1 Instruments;

(c) Tier 2 instruments;

(d) other subordinated debt, in accordance with the ranking of claims in special liquidation proceedings; and

(e) other eligible liabilities, in accordance with the ranking of claims in special liquidation proceedings.

A number of liabilities are excluded from the bail-in tool, including covered deposits and secured liabilities (including covered bonds). For the purposes of the bail-in tool, the designated resolution entities are required to maintain at all times a sufficient aggregate amount of own funds and eligible liabilities at a stand-alone and/or consolidated level, the aim of which is to ensure that they have sufficient loss-absorbing capacity.

The ranking of liabilities in the case of special liquidation proceedings against a credit institution are provided for by Article 145A of the Banking Law.

The preferentially ranked claims are:

(a) claims deriving from the provision of employment services and legal fees of lawyers who provide their services under a fixed periodic remuneration relationship to the extent that the claims arose during the two years prior to the declaration of bankruptcy; severance pay claims due to termination of employment and claims of attorneys for legal fees due to termination of their mandate, irrespective of the time when they arose; claims of the Greek state for value added tax and other taxes aggregated with any surcharges and interest accrued, and claims of social security organisations;

(b) Greek state claims arising in the case of a recapitalisation by the Greek state of institutions pursuant to the BRRD's extraordinary capital support provisions;

(c) claims deriving from guaranteed deposits or claims of the Hellenic Deposit and Investment Guarantee Fund (the "HDIGF") in respect of depositors' rights and obligations which have been compensated by the HDIGF, and for the amount of such compensation;

(d) any type of Greek state claim aggregated with any surcharges and interest charged on these claims;

(e) the following claims on a *pro rata* basis:

(i) claims of the SRF, to the extent it has provided financing to the institution; and

(ii) claims in respect of eligible deposits to the extent that they exceed the coverage threshold for deposits of natural persons and micro, small and medium-sized enterprises;

(f) claims deriving from investment services covered by the HDIGF or claims of the HDIGF in respect of the rights and obligations of investors which have been compensated by the HDIGF, and for the amount of such compensation;

(g) claims deriving from eligible deposits to the extent that they exceed the coverage limit and do not fall under (e) above;

(h) claims deriving from deposits exempted from compensation, excluding claims deriving from transactions of investors for which a final court decision has been issued for a penal violation of anti-money laundering rules; and

(i) all claims that do not fall within the above listed points and are not subordinated claims as per the relevant agreement governing them, including but not limited to, liabilities under loan agreements and other credit agreements, from debt instruments issued by the credit institution, from agreements for the supply of goods or for the provision of services or from derivatives.

This class of preferred liabilities does not include claims resulting from debt instruments that meet the following conditions: (i) the original contractual maturity of the debt instruments is at least one year; (ii) the debt instruments contain no embedded derivatives and are not derivatives themselves; and (iii) the relevant contractual documentation and, where applicable, the Offering

Circular related to the issuance explicitly refer to this lower ranking. Such claims are classified as common claims without preference and rank *pari passu*, pursuant to Article 145A of the Banking Law, with obligations of the credit institutions concerned under unsecured and unsubordinated debt instruments issued by it and guarantees related to such debt instruments issued by its subsidiaries that have been issued or provided for, respectively, prior to 18 December 2018 (*i.e.* the date of entry into force of Article 104 of Law 4583/2018 which has transposed into Greek law Directive 2017/2399).

An additional tool, *i.e.* a moratorium tool, has recently been endorsed by the European Parliament. See "*—Capital adequacy framework—Recent developments—Moratorium power for resolution authorities*".

Extraordinary public financial support

In an exceptional systemic crisis, extraordinary public financial support may be provided through the public financial stabilisation tools listed below as a last resort and only after having assessed and utilised, to the maximum extent, the other resolution tools, in order to avoid, through direct intervention, the winding-up of the relevant bank or other entity concerned and to enable the resolution purposes to be accomplished. The use of extraordinary public financial support requires a decision of the Minister of Finance following a recommendation from the Systemic Stability Board (Greek Ministry of Finance) and consultation with the relevant resolution authorities.

The public financial stabilisation tools are:

- public capital support provided by the Ministry of Finance or, in respect of credit institutions, by the HFSF following a decision by the Minister of Finance; and
- temporary public ownership of the entity concerned by the Greek state or a company which is wholly owned and controlled by the Greek state.

All of the following conditions must be met for the public financial stabilisation tools to be implemented:

- the entity concerned meets the conditions for resolution;
- the shareholders, owners of other instruments of ownership, holders of relevant capital instruments and the holders of eligible liabilities have contributed, through conversion, write down or by any other means, to the absorption of losses and the recapitalisation by an amount equal to at least 8% of the total liabilities, including own funds, of the entity concerned, calculated at the time of the resolution action; and
- prior and final approval by the European Commission regarding the EU state aid framework for the use of the chosen tool has been granted.

In addition to the above, for the provision of public financial support, one of the following conditions must also be met:

- the application of the resolution tools would not be sufficient to avoid a significant adverse effect on financial stability;
- the application of the resolution tools would not be sufficient to protect the public interest, where extraordinary liquidity assistance from the central bank has previously been given to the entity concerned; and/or
- in respect of the temporary public ownership tool, the application of the resolution tools would not be sufficient to protect the public interest, where capital support through the public capital support tool has previously been given to the entity concerned.

By way of exception, extraordinary public financial support may be granted to the entity concerned in the form of an injection of own funds or the purchase of capital instruments without the implementation of resolution measures, if all of the following conditions, to the extent relevant, are satisfied:

- in order to remedy a serious disturbance in the economy of an EU member state and preserve financial stability;
- in relation to a solvent entity in order to address a capital shortfall identified in a stress test, assets quality review or equivalent exercise;
- at prices and on terms that do not confer an advantage upon the entity concerned;
- on a precautionary and temporary basis;
- subject to final approval of the European Commission;
- not to be used to offset losses that the entity concerned has incurred or is likely to incur in the near future;
- the entity concerned has not infringed, and there is no objective evidence that it will in the near future infringe, its authorisation requirements in a way that would justify the withdrawal of its authorisation;
- the assets of the entity concerned are not, and there is no objective evidence that its assets will in the near future be, less than its liabilities;
- the entity concerned is not, and there is no objective evidence that it will be, unable to pay its debts or other liabilities when they fall due; and
- the circumstances for the exercise of the write-down or conversion powers in respect of Additional Tier 1 and Tier 2 capital instruments of the entity concerned do not apply.

Resolution authority's powers

The resolution authority has a broad range of powers when applying resolution measures and tools. When applying the resolution tools and exercising its resolution powers, the resolution authority must have regard to the following objectives:

- ensuring the continuity of critical functions;
- avoiding significant adverse effects on financial stability, including by preventing contagion, and maintaining market discipline;
- protecting public funds by minimising reliance on extraordinary public financial support;
- avoiding unnecessary deterioration of value and seeking to minimise the cost of resolution;
- protecting depositors and investors covered by deposit guarantee schemes and investor compensation schemes, respectively; and
- protecting client funds and client assets,

as well as the following principles:

- the shareholders of the entity concerned under resolution bear losses first;
- the creditors of the entity concerned under resolution bear losses after the shareholders in accordance with the order of priority of their claims under normal special liquidation proceedings;
- senior management or the management body of the entity concerned under resolution is replaced unless it is deemed that retaining management is necessary for resolution purposes;
- senior management or the management body of the entity concerned under resolution shall provide all necessary assistance for the achievement of the resolution objectives;

- natural and legal persons remain liable, under applicable law, for the failure of the entity concerned;
- except where specifically provided in the Greek BRRD Law, creditors of the same class are treated in an equitable manner;
- no creditor incurs greater losses than would be incurred if the entity concerned would have been wound up under normal special liquidation proceedings;
- covered deposits are fully protected; and
- resolution action is taken in accordance with the applicable safeguards provided in the Greek BRRD Law.

Article 33a of the BRRD Law provides for the power of the competent resolution authority (which, in the case of Piraeus Financial Holdings and the Bank is the SRB) to suspend payment or delivery of certain obligations for a maximum duration of two days if an entity is declared "failing or likely to fail" and subject to certain conditions. In the context of this provision, the resolution authority is also empowered to potentially restrict secured creditors from enforcing security interests and suspend termination rights for the same duration.

Moreover, under Article 24a of the Greek BRRD Law, the competent resolution authority (which, in the case of Piraeus Financial Holdings and the Bank is the SRB) has the power to impose a MREL-specific prohibition of distributing more than the Maximum Distributable Amount ("M-MDA"), where there are insufficient resources to meet the applicable combined buffer requirement, in addition to the applicable MREL requirements, through: (a) distribution in connection with Common Equity Tier 1 capital; (b) payment of variable remuneration or discretionary pension benefits, or variable remuneration if the obligation to pay was created at a time when the entity failed to meet the combined buffer requirement; or (c) coupon payments to holders of AT1 instruments.

The HFSF

The HFSF has been established in 2010 pursuant to the HFSF Law as a private law entity, having as a purpose the contribution to the maintenance of the stability of the Greek banking system for the sake of public interest. The HFSF is regulated by and acts in line with the HFSF Law as amended and currently in force and the relevant commitments under the memorandum of understanding of 15 March 2012, a draft of which was ratified by Law 4046/2012, as amended from time to time and the memorandum of understanding of 19 August 2015, a draft of which was ratified by Law 4336/2015, as amended from time to time. The HFSF shall comply with, and is authorised to take any actions to comply with and to give full effect to its obligations under, or arising out of or in connection with the Master Financial Facility Agreement of 15 March 2012, a draft of which was ratified by Law 4060/2012, as in force, and under the Financial Assistance Facility Agreement of 19 August 2015, a draft of which was ratified by Law 4336/2015, as in force, respectively. The HFSF operates on the basis of a comprehensive strategy with regards to the financial sector and the management of NPEs, which constitutes the subject matter of an agreement between the Ministry of Finance, the Bank of Greece and the HFSF, as amended from time to time. The duration of the HFSF shall be until 31 December 2022, which may be extended pursuant to a decision of the Minister of Finance, if deemed necessary for the fulfilment of its scope.

In pursuing its objective, the HFSF shall: (i) provide capital support to credit institutions, pursuant to the HFSF Law, as amended and in force, and in adherence to the EU regulation regarding state aid; (ii) monitor and assess how credit institutions to which the HFSF provides capital support comply with their restructuring plans, whilst ensuring that such credit institutions operate on an autonomous market basis and in such a manner that ensures in a transparent way private investor participation in their capital; (iii) exercise its shareholding rights deriving from its participation in the credit institutions; (iv) dispose in whole or partially financial instruments issued by the credit institutions in which it participates; (v) provide loans to the HDIGF for resolution purposes; (vi) facilitate the management of non-performing loans of the credit institutions; (vii) enter into a relationship framework agreement or amend the existing relationship framework agreement with all credit institutions that are or have been beneficiaries of financial assistance by the EFSF and the ESM, in order to ensure the implementation of its objectives and rights, as long as the HFSF holds

shares or other capital instruments in such financial institutions or monitors the restructuring plan of such credit institutions; (viii) exercise its shareholding rights deriving from the transfer to it of the common shares or cooperative shares in credit institutions, according to the last subparagraph of paragraph 6 of Article 27A of Law 4172/2013, as these rights are defined in the HFSF Law and in the relationship framework agreements of the previous subparagraph (vii), in compliance with the rules of prudent management of the assets of the HFSF and in line with the EU state aid rules; (ix) exercise the voting rights deriving from the participation of governmental entities in the share capital of credit institutions, which is assigned to it either by virtue of legislative or regulatory provisions, or by virtue of decisions of the competent each time administrative bodies of the said entities, according to the HFSF Law and special agreements entered into with the above entities for this purpose; (x) exercise its rights deriving from the HFSF Law in an absorbing or demerged entity which emerged pursuant to a corporate transformation of Law 4601/2019 of a credit institution to which the HFSF has provided capital support in which entity it participates as a result of such corporate transformation; and (xi) exercise the special rights of Article 10 of the HFSF Law and those stemming from the relationship framework agreement in the beneficiary credit institution which emerged further to the transfer of the banking sector, via partial demerger or spin off, in the context of a corporate transformation pursuant to Law 4601/2019 of the credit institution that has received capital support from the HFSF.

The HFSF's participation in the former Piraeus Bank Société Anonyme following the 2013 Share Capital Increase was 81%. In April 2014 the former Piraeus Bank Société Anonyme undertook a second offer of shares amounting to €1.75 billion, which was fully covered by private investors from both the Greek and the international markets. This resulted in a decrease in the HFSF's participation to 67%. Following the 2015 Share Capital Increase, the HFSF's stake in the former Piraeus Bank Société Anonyme was further decreased to 26.4%, while, following the conversion of the Contingent Convertible Bonds on 4 January 2021, the HFSF held 61.34% in Piraeus Financial Holdings. Finally, following the recent completion of Piraeus Financial Holdings' Share Capital Increase, the HFSF currently holds 27% of the voting rights in Piraeus Financial Holdings, 0.04% of which are restricted.

Administrative structure of the HFSF

The HFSF Law, as in force following consecutive amendments, contains detailed provisions regarding the modus operandi, administrative structure and competences of the HFSF. The HFSF has two administrative bodies with decision-making functions, namely (i) the General Council, which consists of seven non-executive members, one of whom is a representative of the Ministry of Finance and the other is appointed by the Bank of Greece and (ii) the Executive Board, which consists of three members, including HFSF's Chief Executive Officer. One of its members is nominated by the Bank of Greece. One executive member of the Executive Board is assigned the task to enhance the role of the HFSF in facilitating the resolution of the NPEs of the credit institutions in which the HFSF has participation. Moreover, the members of the General Council and the Executive Board shall be selected, following a public invitation of interest, by a selection panel which has been established pursuant to a decision of the Ministry of Finance. The members of the General Council and the Executive Board shall be appointed by a decision of the Minister of Finance. Their term of office is for three years and may be renewed but cannot exceed the term of the HFSF. With the exception of the representative of the Ministry of Finance and the nominee from the Bank of Greece, all appointments, including renewal of appointments, as well as the remuneration of the appointees shall require the prior agreement of the Euro Working Group.

Supply of capital support by the HFSF

With regards to the supply of capital support, a credit institution experiencing a capital shortfall, as such shortfall has been determined by the competent authority, which is defined in paragraph 1(5) of Article 2 of the Greek BRRD Law, may submit a request for capital support to the HFSF, up to the amount of the determined capital shortfall, accompanied by a letter of the competent authority determining (i) the capital shortfall; (ii) the date by which the credit institution needs to meet the said shortfall; and (iii) the capital raising plan submitted to the competent authority.

For credit institutions with an existing restructuring plan approved by the European Commission at the time of such request, said request shall be accompanied by a draft amended restructuring plan. The draft restructuring plan (for credit institutions without an existing approved restructuring plan), or the draft amended restructuring plan, shall describe by what means the credit institution shall return to sufficient profitability in the next three to five years, under prudent assumptions. The HFSF shall monitor and evaluate the proper implementation of the restructuring plan and any amended restructuring plan, as the case may be. The HFSF may request amendments and addendums to the above-mentioned restructuring plan.

Any restructuring plan approved by the HFSF shall comply with EU rules on state aid and shall be approved by a decision of the European Commission. Additionally, it shall ensure the credit institution's restoration of adequate profitability, the burden-sharing to its shareholders and limit any distortion of competition. The HFSF monitors and evaluates the implementation of such approved restructuring plans.

The HFSF may grant a credit institution a letter of commitment that it will participate in the recapitalisation of such credit institution, subject to and in accordance with the procedure laid down in the HFSF Law (Articles 6A and 7), as in force, and up to the amount of capital shortfall identified by the competent authority provided that the credit institution falls within the exception of Article 32, paragraph 3, item d(cc) of the Greek BRRD Law, as in force (in other words, the credit institution is not deemed by the SSM to be failing or likely to fail and such capital support will constitute precautionary recapitalisation). The HFSF grants said letter without the procedure stipulated under Article 6A regarding the compulsory application of the burden sharing process. The above-mentioned commitment does not apply if for any reason the licence of the credit institution is revoked, or any of the resolution measures provided for in the Greek BRRD Law is undertaken. The HFSF provides capital support for the sole purpose of covering the capital shortfall of the credit institution, as determined by the competent authority and up to the amount remaining uncovered, as long as such support is preceded by the application of the measures of the capital raising plan (referred to in Article 6 of the HFSF Law, as in force), any participation of private sector investors, the European Commission's approval of the restructuring plan and either:

(a) any mandatory burden sharing measures (of Article 6A of the HFSF Law as in force), where the European Commission confirms as part of the approval of the restructuring plan that the credit institution falls within the exception of item d(cc) of Article 32 (3) of the Greek BRRD Law (the credit institution is not failing nor likely to fail and the capital support is provided in the context of precautionary recapitalisation); or

(b) where the credit institution has been placed under resolution, and measures have been taken pursuant to the Greek BRRD Law.

The relationship framework agreement has to be duly signed before any capital support is provided. Capital support shall be provided through the participation of the HFSF in the share capital increase of the credit institution through the issuance of ordinary shares with voting rights or the issuance of contingent convertible bonds or other convertible instruments which shall be subscribed by the HFSF. The breakdown of the above participation of the HFSF between ordinary shares and contingent convertible bonds or other convertible instruments is defined by Cabinet Act No. 36, dated 2 November 2015.

The HFSF may exercise, dispose or waive its pre-emption rights with respect to share capital increases or issues of contingent convertible bonds or other convertible instruments of credit institutions that submit a request for capital support. Without prejudice to the applicable provisions of Law 4548/2018, the subscription price for the shares is the market price derived from a book building process carried out by each credit institution. By decision of its General Council, the HFSF shall accept this price, provided that the HFSF has commissioned and obtained an opinion from an independent financial adviser opining that the book building process complies with international best practice applicable in the particular circumstances. The offering price of the new shares to the private sector shall not be lower than the subscription price of those shares subscribed by the HFSF in the context of the same issuance. The offering price may be lower than the price of the shares already subscribed for by the HFSF or than the current stock market price. The condition above need not be

met where the HFSF is called upon to cover the remaining amount not covered by private participation in share capital increases of credit institutions pursuant to measures of public financial stability or when such institutions are not subject to a restructuring plan already approved by the European Commission at the time a request for capital support from the HFSF is made.

Ordinary share capital increases

In relation to share capital increases made in the ordinary course by either (i) credit institutions that have previously received capital support by the HFSF pursuant to the HFSF Law; or (ii) the parent company of such a credit institution that has ensued following a corporate restructuring of such credit institution, the HFSF is entitled to:

- exercise, in part or in whole, its preemptive rights on a *pro rata* basis;
- subscribe, up to its existing participation, in the offering of shares or other ownership instruments (as those are defined in Article 2, paragraph 2 (107) of Law 4335/2015), issuable pursuant to share capital increases (including share capital increases with a restriction or abolition of preemptive rights);
- participate up to its existing participation in the issuance of new shares or other ownership instruments issued by the parent company of the credit institution or of the credit institution which continues the banking activities of the group as appropriate, or;
- participate in one or more allocations of unsubscribed shares or other ownership instruments issued pursuant to share capital increases or issuances of other ownership instruments, if applicable.

The participation of the HFSF in the above-mentioned share capital increases, which may be carried out by credit institutions or in case of corporate transformation or group restructuring by the holding entities and/or the credit institutions which shall carry on the banking operations of the group, within the framework of Law 4548/2018, is permitted under the condition that these share capital increases: (i) do not constitute capital support within the meaning of Articles 6, 6a, 6b and 7 of the HFSF Law; and (ii) are alongside private participation of real economic significance and such private investors participate under the same terms and conditions and, therefore, with the same level of risk and rewards ("*pari passu*" transaction).

In any case, pursuant to a decision of its General Council, the HFSF is entitled to veto share capital increase made with no pre-emption or with restricted pre-emption rights of the shareholders of the entity concerned. If such veto is exercised and the entity concerned subsequently approves a share capital increase with pre-emption rights, the HFSF has no obligation to participate in such capital increase. In addition, (i) any such participation by the HFSF would be made pursuant to a decision of its General Council on the basis of a favourable report by two independent financial advisors; (ii) the subscription and payment for shares or other ownership instruments by the HFSF would be made at a price not higher than that payable by and on terms not less favourable than those offered to the other shareholders of the issuer concerned, without prejudice to the existing rights of the HFSF deriving from its relationship framework agreements; (iii) the HFSF would fund its subscription and payment for the new shares or other ownership instruments by exclusively using its own funds held by the HFSF or from reinvestment resulting from a previous asset disposal of the HFSF; and (iv) the new shares or other ownership instruments the HFSF acquires confer to the HFSF full shareholder or ownership rights, including voting rights, but not the special rights described in Article 10 of the HFSF Law and discussed below under "*—Special rights of the HFSF*".

Any partial disposal of shares or other ownership instruments acquired by the HFSF in accordance with the above will be made on the basis of the principle "last in, first out", to ensure that the special rights of the HFSF set out in Article 10 of the HFSF Law will be preserved for so long as it holds a participation in the entity concerned. In the event of resolution of the credit institution, the HFSF claims with respect to shares or other ownership instruments are not ranked preferentially to claims of other shareholders.

Implementation of public financial stability measures

Following the decision of the Minister of Finance, pursuant to Article 56, paragraph 4 and Article 2 of the Greek BRRD Law, on the implementation of the measure of public capital support, the HFSF shall be designated as the vehicle for applying Article 57 of the Greek BRRD Law. In this case the HFSF participates in the recapitalisation of the credit institution and receives in return the instruments set forth in Article 57, paragraph 1 of the Greek BRRD Law. The HFSF participates in the capital increase and receives in return capital instruments after the application of any measures adopted in accordance with Article 2 of the Greek BRRD Law.

Voting rights of the HFSF

According to the HFSF Law, the HFSF shall fully exercise the voting rights attached to the shares it subscribed for under its capital support. The HFSF will continue to exercise the voting rights with the limitations set out below in the following cases:

(a) for the shares taken by the HFSF during its first participation in the recapitalisation of credit institutions in 2013, when certain limitations applied with regards to the HFSF's voting rights due to the private sector participation in the said increase being at least 10% of the amount of the share capital. Since the involvement of the private sector fell short of 10% the HFSF could exercise without any limitation its voting rights with regards to its participation in the relevant systemic bank; and

(b) for the shares acquired during the period when the HFSF contributed in the recapitalisation of credit institutions under conditional voting rights, but said restrictions did not apply, however, due to the failure to reach the required percentage of private sector involvement. These restrictions on the HFSF's voting rights apply, provided that private participation in the first share capital increase, following the effective date of Law 4254/2014, as in force, which amended the HFSF Law, as in force, was at least equal to 50%.

For the shares mentioned under (a) and (b) above, the HFSF may vote in the general meeting of shareholders of the credit institution concerned only for decisions amending the articles of association, including capital increases or capital decreases or the provision of the relevant authorisation to the board of directors, merger, division, conversion, revival, extension of term or dissolution of the asset transfer company, including the sale of subsidiaries or for any other subject matter that requires an increased majority, as provided for by Law 4548/2018, as in force. For the purposes of calculating both the quorum and the majority at such general meeting, these shares are not taken into account when deciding on matters other than the above issues.

Even in cases where the above-mentioned restrictions are in force the HFSF will fully exercise the voting rights attached to those shares under points (a) and (b), without the above-mentioned restrictions, as long as it is established by a decision of the General Council of the HFSF that the credit institution concerned has failed to fulfil essential obligations provided for in the restructuring plan or described in the relationship framework agreement of Article 2 of the HFSF Law, as amended and in force.

Any disposal of shares by the HFSF to private sector investors that takes place, either pursuant to sale of the HFSF's participation or following the exercise of warrants issued by the HFSF, shall be deemed to result in a reduction in the participation of the HFSF with regards first to the shares upon which the HFSF exercises limited voting rights.

Special rights of the HFSF

The HFSF is represented by one member in the credit institution's Board of Directors. The HFSF's representative in the Board of Directors shall have the following rights, which shall be exercised taking into account the business autonomy of the credit institution:

(a) call the general meeting of shareholders;

(b) veto any decision of the credit institution's Board of Directors:

(i) regarding the distribution of dividends and the benefits and bonus policy concerning the Chairman, the Chief Executive Officer and the other members of the Board of Directors, as well as any person who exercises general manager's powers and their deputies;

(ii) where the decision in question could seriously compromise the interests of depositors, or impair the credit institution's liquidity or solvency or its overall sound and smooth operation (*e.g.*, business strategy, asset/liability management, etc.); and

(iii) related to corporate actions of Article 7a, paragraph 3 of the HFSF Law, which might substantially influence the HFSF's participation at the share capital of the credit institution.

(c) request an adjournment of any meeting of the credit institution's Board of Directors for three business days, until instructions are given by the HFSF's Executive Board. Such right may be exercised by the end of the meeting of the credit institution's Board of Directors;

(d) call a meeting of the Board of Directors of the credit institution be convened;

(e) to approve the appointment of the Chief Financial Officer; and

(f) to have free access to all books and records of the bank through executives and consultants of its choice.

The HFSF, with the assistance of an independent consultant of international reputation and established experience and expertise, shall evaluate the corporate governance arrangements of credit institutions with which the HFSF has signed relationship framework agreements and especially the boards, the board committees as well as other committees of these credit institutions which the HFSF deems necessary to evaluate for the fulfilment of its objectives. The evaluation will extend also to the individual members of the boards and the committees concerned. The HFSF shall evaluate the boards and the committees described above in particular with regards to their size, organisation structure, allocation of tasks and responsibilities assigned to their members, in view of the business needs of the banks and of needs related to the structure of the boards and committees concerned.

The HFSF with the assistance of an independent consultant will develop criteria for the evaluation of the above elements and the members of the boards and committees of these credit institutions according to best international practices and develop specific recommendations for changes and improvements in the corporate governance of each credit institution in addition to certain minimum criteria set by the HFSF Law, as in force. The members of the boards and committees shall cooperate with the HFSF and its consultants in conducting the review and providing necessary information for the purposes of the review.

Further to the criteria developed by the HFSF (assisted by the independent consultant), the evaluation includes certain minimum criteria, for each member of the board and the committees as set out below:

(a) at least ten years of experience in senior management positions in the banking, auditing, risk management or management of risk assets sectors, from which, especially for non-executive members, three years as a member of the board of a credit institution or of a company active in the financial sector or in an international financial institution;

(b) the individual is not, and has not been entrusted in the last four years prior to its appointment, with prominent public functions, such as Heads of State or of Government, senior politicians, senior government, judicial or military officials, senior executives of state owned corporations, or important political party officials; and

(c) each individual must declare all financial connections with the bank before being appointed and the competent authority must confirm that the individual is fit and

proper for the relevant position. Additional criteria defining specific skills needed for specific tasks within the board will be determined by the HFSF in cooperation with the independent consultant under the corporate governance review. The criteria will be updated at least once every two years and more often if there is material change in the financial position of the bank. The size and the collective knowledge of the boards and the committees shall reflect the business model and the financial status of the credit institution. Further, the evaluation of the members of the boards and the committees shall secure their proper size and composition. The evaluation of the structure and composition of the boards and committees shall have the following minimum criteria:

(i) the Board of Directors of the credit institution concerned includes as non-executive members at least three independent international experts with adequate knowledge and long-term experience of at least 15 years in relevant financial institutions, of which at least three years as members of an international banking group with no activity in the Greek market. These members must not have any affiliation over the previous ten years with Greek financial institutions;

(ii) the aforementioned independent non-executive members chair all board committees; and

(iii) at least one board member shall have relevant expertise and international experience of at least five years in risk management and/or the management of NPEs. This individual focuses on and has as sole power the management of NPEs and chairs any special board committee of the credit institution dealing with NPEs.

In the case that a review or evaluation determines that the subject of the review does not meet the relevant criteria, the HFSF will inform the board and, if the board does not take action to implement the recommendations, it will call a general meeting of shareholders to inform them and recommend the necessary changes. The HFSF will send the findings of the review to the competent authorities. In the case of a board or committee member that does not meet the relevant criteria, or of a board which collectively does not satisfy the recommended structure with respect to the size, allocation of tasks and expertise within the board and the necessary changes cannot be achieved otherwise, these recommendations shall include that certain board or committee members need to be replaced. In the event that the general meeting of shareholders does not agree to replace board members who fail to meet these criteria within three months, the HFSF shall publish a report on its website within four weeks naming the bank, the recommendations and the number of board members that do not meet the relevant criteria and specify the criteria that the board and its individual members do not meet. Nothing in the above changes the obligation of shareholders to ensure that the board and board committees are staffed by members with an appropriate level of experience and competence and acting in the best interests of the bank and all stakeholders.

The HFSF retains all its special rights described above stemming from Article 10 of the HFSF Law also over the beneficiary credit institutions which emerge due to the corporate transformation (taking place according to Law 4601/2019) of any credit institution which received capital support according to the provisions of the HFSF Law.

The Relationship Framework Agreement

For the realisation of the objectives and the exercise of the rights of the HFSF, the HFSF determines the relationship framework agreement or the amended relationship framework agreement, as the case may be, with all credit institutions that are or have been beneficiaries of financial assistance provided by the EFSF and the ESM, and also with any credit institution which emerges due to the transfer of the banking activities of a credit institution via partial demerger or spin off, in the context of a corporate transformation provided in Law 4601/2019. The credit institutions which have signed the aforementioned relationship framework agreement provide to the HFSF all information that the EFSF or the ESM might reasonably ask for, with a view to the HFSF transmitting

such information to the EFSF or the ESM, except if the HFSF informs the credit institutions that they are under the obligation to transmit said information directly to the EFSF or the ESM.

The relationship of the former Piraeus Bank Société Anonyme with the HFSF following the completion of the 2015 Share Capital Increase, according to the provisions of the HFSF Law, is governed by the Relationship Framework Agreement, which was executed on 27 November 2015. Further to the amendment of the HFSF Law pursuant to Article 28 of Law 4701/2020, the terms of the Relationship Framework Agreement apply to both Piraeus Financial Holdings and Piraeus Bank Société Anonyme, as set out in a tripartite agreement entered into between the HFSF, Piraeus Financial Holdings and Piraeus Bank Société Anonyme.

In addition to the above-mentioned powers, by virtue of the Relationship Framework Agreement and for the period which the HFSF holds shares of Piraeus Financial Holdings, the HFSF's appointed representative in the Board of Directors of Piraeus Financial Holdings and Piraeus Bank Société Anonyme has the power, among other things, to include items in the agenda of the General Meeting of their ordinary shareholders, of their Board of Directors and of their committees in which the representative participates. In addition, in accordance with the Relationship Framework Agreement, at least one of the HFSF's Representatives is appointed as a member of the Audit Committee of Piraeus Financial Holdings, and of each of the Audit Committee, the Risk Committee, the Remuneration Committee, the Nomination Committee, the Strategy Committee and the Board ethics and Governance Committee of Piraeus Bank Société Anonyme. Such HFSF's Representative has the right to include items in the agenda of the meetings of the committee in which he participates and to request the convocation of such committee within seven days of his written request to the chairman of the relevant committee. The HFSF has also appointed an observer who will participate in all Committees of Piraeus Financial Holdings and Piraeus Bank Société Anonyme (but will have no voting rights), as well as in the Board of Directors of Piraeus Financial Holdings and Piraeus Bank Société Anonyme.

Furthermore, in accordance with the Relationship Framework Agreement, each of Piraeus Financial Holdings and Piraeus Bank Société Anonyme has the obligation to obtain the prior written consent of the HFSF for all material matters set forth in such agreement, including, *inter alia*, the Group's policy governing the relations between the Group and certain persons who are qualified as connected borrowers, all material corporate actions (*e.g*., capital increases, mergers, etc.), material investments or transfers of assets, the management of the NPEs, the recruitment policy and appointment of the members of the Board of Directors and the appointment of statutory auditors.

Under the Relationship Framework Agreement, Piraeus Financial Holdings and Piraeus Bank Société Anonyme's decision-making bodies will continue to determine independently Piraeus Financial Holdings and Piraeus Bank Société Anonyme's day-to-day business, commercial strategy and policy. The Relationship Framework Agreement remains in force for as long as the HFSF holds shares in Piraeus Financial Holdings, irrespective of the percentage of its holding. The Relationship Framework Agreement may be amended pursuant to the HFSF Law, as in force.

The HFSF may grant a "resolution loan" (as defined in the Financial Facility Agreement of 19 August 2015) to the HDIGF for the purposes of funding bank resolution costs, subject to the provisions of the abovementioned Financial Facility Agreement and in compliance with EU rules on state aid. For the repayment of such loan the credit institutions participating in the HDIGF are liable as guarantors at the ratio of their contribution either in the resolution scheme or in the deposit guarantee scheme, as the case may be. The amount, the time and the manner of drawdown on such loan, as well as any other necessary matter in connection therewith, are determined on an *ad hoc* basis by a decision of the Minister of Finance, following a request by the HDIGF and the opinion of the Bank of Greece.

Extrajudicial debt settlement mechanism

Extrajudicial debt settlement mechanism for businesses under Law 4469/2017 (applications submitted until 30 April 2020)

Law 4469/2017, as amended and in force, provided for an extrajudicial procedure for settling debts towards any creditor, which derive from the debtor's business activity or other cause, provided

that the settlement of those debts is considered vital by the participants in order to secure the debtor's business viability. Applications under the framework of Law 4469/2017 could be submitted electronically to the Special Private Debt Management Secretariat (EGDICH) by 30 April 2020 on the dedicated electronic platform in EGDICH's website.

The approval of the debt restructuring proposal requires the debtor's consent and the formation of a majority of three-fifths of participating creditors, which includes two-fifths of participating creditors with special privilege.

The extrajudicial procedure is concluded by the execution of a debt restructuring agreement between the debtor and consenting creditors, otherwise the procedure is deemed unsuccessful. Certain specific types of claims and creditors whose claims do not exceed certain thresholds are excluded from the scope of this extrajudicial procedure and are not bound by the debt restructuring agreement. The debtor or a participating creditor may submit an application for ratification of the debt restructuring agreement to the Multi-Member Court of First Instance of the debtor's registered seat.

In case the debtor fails to pay any amount due to any of the creditors in accordance with the terms of the debt restructuring agreement for more than 90 days, the creditor has the right to request cancellation of the agreement towards all parties. It is noted that, when more credit or financial institutions or credit servicing firms under Law 4354/2015 have acquired or manage overdue receivables of the same debtor, for which there is sufficient evidence of the debtor's inability to fulfil their financial obligations, such entities may cooperate to submit a common proposal to the debtor, in order to reach a sustainable solution. By means of joint ministerial decision no.130060/29.11.2017, as applicable, a simplified procedure was introduced for businesses eligible to apply for an extra judicial debt settlement mechanism under Law 4469/2017, with total debt up to €300,000.

In the case of a business debt settlement process pursuant to Law 4469/2017, any individual and collective enforcement measures against the debtor, pending or not, for the satisfaction of claims, the settlement of which is pursued through the extrajudicial debt settlement, are automatically suspended for a 90-day period, starting from the date on which the invitation for participation in the procedure is sent by the coordinator to the creditors. The above suspension includes any request for preventive measures and the registration of a prenotation of mortgage, unless the taking of preventive measures aims at the prevention of the depreciation of the debtor's business due to the disposal of its assets. The suspension of enforcement and preventive measures applies after the expiry of the 90-day period and until the completion of the extrajudicial procedure, in case the non-completion of the procedure within the above period is due to the extension granted to creditors for the taking of actions, and only with respect to those creditors. If an extension is requested after the 90 days have lapsed, the suspension applies to the creditor requesting the extension and for as long as that extension is in force. The above suspension ceases automatically in case: (i) the procedure is terminated without success or for any reason whatsoever, or (ii) a decision is taken by the majority of the participating creditors to that effect.

The out-of-court debt settlement process pursuant to Law 4738/2020

The Debt Settlement and Facilitation of a Second Chance Law, in force from 1 June 2021, establishes a new out-of-court debt settlement mechanism (which replaces the procedure of Law 4469/2017). Within the context of the out-of-court debt settlement process provided for by Law 4738/2020, individuals or legal entities, eligible to be declared insolvent, may apply for extrajudicial settlement of their monetary liabilities to the Greek state or financing institutions and social security institutions, subject to certain exemptions (*e.g.*, a debtor may not file an application for the opening of an out-of-court debt settlement process in case 90% of their liabilities are owed to a single financing institution). The financing institutions may accept the invitation for debt settlement at their sole discretion. However, in case the majority of financing institutions accepts the debtor's invitation and consents to the preparation of a specific debt settlement proposal, the results of such settlement apply to all financing institutions, and subject to the conditions of Law 4738/2020 to the Greek state and the social security institutions.

It is noted that entities falling outside the scope of said law, such as investment service providers, undertakings for collective investment in transferable securities, alternative investment funds and their managers, credit, financial and (re-)insurance institutions may not apply as debtors

for the opening of the out-of-court debt settlement process. The process may also be initiated by the creditor(s) upon service of an invitation to the debtor to apply for the opening of such procedure within 45 days. The lapse of this period without the filing of a relevant application by the debtor terminates the process.

Out-of-court debt settlement applications and relevant creditor invitations are filed digitally to the Special Secretariat for the Administration of Private Debt through the EGDICH electronic platform. The procedure of Code of Conduct (for the management of non-performing loans), as well as any enforcement actions and measures, pending or not, with the exemption of the auctions scheduled to take place within 3 months of the application submission date by the debtor and of any relevant preparatory procedural action by a secured creditor, are automatically suspended as of the filing of the out-of-court debt settlement application and so long as such process is not terminated. The approval of the debt restructuring proposal requires the debtor's consent and the majority of 3/5 of participating financing institutions (in terms of debt value), which includes 2/5 of participating financing creditors with special privilege. Should a debt settlement agreement not be signed by the debtor and the participating creditors within two months of the application submission date, the process is terminated without success. The debt settlement agreement can be terminated by any creditor whose claims are covered by the settlement if the debtor is in default on the payment of an aggregate amount equal to either three payment instalments or 3% of the total amount due under the settlement agreement. Termination of the debt settlement agreement results to the reinstatement of the debtor's liabilities vis-à-vis the terminating creditor that become due and payable to the pre-settlement debt amount less any amount already paid under the settlement. Such termination does not affect the legal position of the debtor vis-à-vis other creditors covered by the settlement.

It is noted that the performance of debts secured via mortgage on the main residence of the debtor is partially subsidized by the Greek state, subject to certain conditions. The subsidy is provided for five years, commencing on the application submission date. The subsidy requirements include, *inter alia*, a *de minimis* provision regarding the amounts owed to financing institutions, the Greek state and social security institutions (set at €20,000), as well as a cap to the amounts owed to each creditor (set at a €135,000 for individuals and a maximum of €215,000 per household). Finally, Article 30 of Law 4738/2020 provides the ability of financing institutions to establish common policies regarding, indicatively, the conditions of processing and approval of applications, a procedure of automated processing, the establishing of notification mechanisms for clients susceptible to financial hardship.

Early warning mechanism and debtors' service centres

Law 4738/2020 introduces an early warning electronic mechanism for natural and legal persons, supervised by the Special Secretariat for Private Debt Management of Ministry of Finance, in which debtor applicants are classified into three risk levels (low, medium and high). Following the classification process, a natural person with no income from business or freelance activity classified as of medium or high risk can contact the competent Borrowers' Service Centres or the Borrowers' Support Service Offices so that they receive free, specialised advice relating to the status of their debts and the possible settlement options under the Law 4738/2020. The same applies for debtors with income from freelance activity and debtors with income from business activity, natural or legal persons, which can seek free, specialised advice by the respective Professional Chambers or Associations or Institutional Social Partners.

Settlement of business debts under Law 4307/2014 and Law 4738/2020. Law 4307/2014, as applicable provides for urgent interim measures for the relief of private debt, especially the settlement of debt of viable small businesses and professionals towards financing institutions (namely credit institutions, leasing and factoring companies), the Greek state and social security institutions, as well as for emergency procedures for the reorganisation or liquidation of operating indebted but viable businesses, provided certain pre-conditions were met.

In particular, natural or legal persons with bankruptcy capacity and their centre of main interests in Greece, could file an application for the opening of an extraordinary debt settlement process. Specifically, provided that such debtors owed (at least) 20% of their total liabilities to (at least) two financing institutions, an application could be filed to the competent court (the Single-

member Court of First Instance of the debtor's centre of operations) for the settlement of their debts to their creditors, as defined therein, as long as the application was filed along with a restructuring agreement. Such agreement should be co-signed by creditors representing at least 50.1% of the total claims, including at least 50,1%+ of their creditors with security rights *in rem* or special privilege or with any other form of security agreement over assets on 30.06.2014). If ratified by the court, the restructuring agreement was binding to all creditors, and a 12-month suspense of collective enforcement measures was imposed by law, starting from the publication of the said decision. If a relevant agreement was reached in the restructuring agreement, any (individual or collective) actions could be suspended for a maximum duration of three months, starting from the decision's publication date. The deadline for filing such applications lapsed on 31 March 2016.

As at 1 March 2021, there is no capacity to submit new applications for the opening of special liquidation proceedings in accordance with Law 4307/2014, which will, however, continue to apply to proceedings pending before the entry of Law 4738/2020 (1 March 2021), unless otherwise expressly provided in Law 4738/2020. By virtue of a decision of the special liquidation creditors' meeting, which is to be convened by an invitation of the special liquidator, the special liquidation proceedings may be subjected to Law 4738/2020. In such event, the provisions of the equivalent procedural stage of Law 4738/2020 will govern such proceedings by way of analogy and the special administrator will exercise the duties and responsibilities that are entrusted to the bankruptcy trustee as per the Law 4738/2020.

Similarly, to special liquidation proceedings provided for in Law 4307/2014, Law 4738/2020 provides for the power of the bankruptcy trustee to conduct a public tender for the sale of the business as a whole or the sale of separate operation unit(s) of the business. The liquidation process is followed pursuant to a relevant decision of the bankruptcy court. The main differences between the special liquidation proceedings under Law 4307/2014 and the new liquidation process provided for by Law 4738/2020, are the following:

- a notary public is hired to conduct the auction;
- the auction is carried-out electronically, namely through the e-auction platform; and
- following the auction, the creditors' meeting approves or refuses the transaction, in which case the creditors' meeting may provide its approval subject to specific conditions (*e.g.*, an increase of the proposed sale price).

In case of liquidation of separate assets, although the procedural aspects are the same as those of Greek Code of Civil Procedure, it is noted that there is no legal remedy that can be used to challenge the initial offering price set by independent evaluators.

Settlement of amounts due by indebted individuals – protection of main residence of the debtor

Law 3869/2010 provides for the settlement of amounts due by individuals (including, consumers and professionals, with the exception of individuals already subject to mercantile law) that are in a state of permanent and general inability to repay their debts, by submitting an application for a three-year settlement of their debts and writing off the remainder of their debts, in accordance with the terms of the settlement agreed. Eligible debts for settlement under Law 3869/2010 were any debt owed to private individuals, including all debts to banks (consumer, mortgage, business loans), except for debts due to an offense committed by the borrower with intention or gross negligence, administrative fines, monetary sanctions and debts related to the obligation for child or spousal support. Law 3869/2010 was amended, *inter alia*, to include: (i) the protection of the main residence of a debtor from forced sale, and (ii) the partial funding by the Hellenic Republic of the amount of monthly payments set by court decision.

As from 1 March 2019, the right of a borrower to request the exemption of their main residence in the context of Law 3869/2010 has ceased to apply. As from 1 June 2021, there is no capacity to submit new applications in accordance with Law 3869/2020, which will, however, continue to apply to proceedings pending before the entry of Law 4738/2020 (1 June 2021). Law 4605/2019 that entered into force on 30 April 2019 provides for an amended framework for the settlement of amounts due by individuals for the purpose of protecting their main residence against

liquidation proceedings. Pursuant to the amended legal framework, eligible over-indebted debtors could apply through electronic means until 31 July 2020 for the settlement of their debts by arranging a partial repayment of their due debts in accordance with Law 4605/2019.

Amounts eligible to be settled were only amounts owed to credit institutions and, in the case of a house loan, to the Hellenic Consignment Deposit and Loans Fund and credit companies, for which a mortgage or a pre-notation of mortgage has been registered in favour of the aforementioned entities over the debtor's main residence and provided that the amounts owed are claims outstanding for at least 90 days as at 31 December 2018. Ownership of the main residence did not have to be exclusive and complete in order to be protected. However, debts of natural persons cannot be settled if there is a guarantee by the Greek state for them. Within the framework mentioned above, the debtor should pay in equal monthly instalments and within 25 years an amount of 120% of the value of its main residence plus interest 3-month EURIBOR+2%. The Greek state may also contribute to the payment of these monthly instalments under certain conditions.

It is also explicitly provided in the amended legal framework that (i) a single application per debtor may be filed for the settlement of amounts owed; (ii) from the notification of the application to the creditor(s) until the lapse of the deadline provided by law for the debtor to request the judicial settlement, in case a consensus arrangement is not reached, auction proceedings against the debtor's main residence are suspended; (iii) a settlement proposal accepted by both the creditor and the debtor constitutes an enforceable title by virtue of which enforcement proceedings may be either initiated in relation to the remaining debtor's assets (except for their main residence) or initiated also for their main residence in case the debtor fails to meet the payment settlement conditions (*i.e.* if the debtor owes in total more than three monthly instalments); and (iv) transfer of claims of credit institutions, the assignment of the debtor's claims to credit servicing firms of Law 4354/2015 or their securitisation in accordance with the provisions of Law 3156/2003 or the replacement of the guarantor or co-debtor do not prevent the settlement of amounts owed by the over-indebted individuals.

In case a consensus arrangement is not reached between the parties (*i.e.* the credit institution or the Hellenic Consignment Deposit and Loans Fund and the debtor), the debtor may request the protection of their main residence by the competent court, on the terms mentioned herein above. If the borrower successfully completes the settlement plan and fully complies with it, then the remaining portion of the loan exceeding 120% of the value of the applicant's main residence plus interest three-month EURIBOR + 2% will be written off. In addition, any mortgage or mortgage pre-notation that has been registered over the main residence securing a claim under the settlement plan, is lifted. However, if the debtor fails to meet the payment settlement conditions (*i.e.* if the debtor owes in total more than three monthly instalments), enforcement proceedings may be initiated against the debtor even on their main residence.

Settlement of Amounts Due by Indebted Individuals under Law 4738/2020.

Law 4738/2020 consolidated the provisions of several statutes dealing with excessive indebtedness and debt settlement (such as Laws 3588/2007, 3869/2010, 4307/2014, 4469/2017 and 4605/2019) into one comprehensive legal framework of expanded scope, with all existing tools for debt settlement consolidated, regardless of their subject (such as indebted households, protection of main residence and extrajudicial settlement mechanisms). As from 1 March 2021, the provisions of the currently applicable Law 3588/2007 were repealed and the legal framework governing bankruptcy is governed by the relevant provisions of Law 4738/2020.

Law 4738/2020 establishes a special regime for protecting main residences of eligible individuals considered to be vulnerable distressed debtors, which provides for a sale and lease-back scheme for main residences and the establishment of a new organisation to implement the relevant process. The definition of vulnerable debtors is aligned with the criteria set out in Article 3 of Law 4472/2017, as applicable (*i.e.* the eligibility criteria for the provision of housing benefits, including, *inter alia*, an individual yearly income cap set at €9,600). The objective of the new framework is the liquidation of a debtor's main residence for the purposes of debt settlement, without the vulnerable debtor having to relocate or definitively lose ownership of their asset. This is effected by the

establishment of a sale and lease-back private entity, contracting with the Greek state pursuant to a call for tenders of the latter.

According to this scheme, in the event that a vulnerable debtor is declared insolvent or that enforcement proceedings regarding their main residence are initiated, they may submit a request under the new regime, which then acquires ownership right over the debtor's immovable property at market value price as determined by a certified valuator. In return, the new organisation leases the same property to the debtor for 12 years for a set amount of monthly rent (to be determined primarily based on the applicable housing loans' average interest rate). However, the price may be adjusted, if, in the context of an auction, the first offering price is significantly higher (15% or more) than the valuation price, in which case the purchase price is the lower of the first offering price and the price provided by a second certified evaluator appointed by the creditor seeking enforcement. Should no third-party, holder of right in rem, pose any objections to the transfer, the sale and lease-back entity purchases the residence free of any encumbrance or claim. The debtor maintains their status as beneficiary of the aforementioned housing benefits of Law 4472/2017, which are now credited to the sale and lease-back entity as a partial payment of the relevant lease instalment. The lease is terminated in the event that the debtor has defaulted on 3 instalments and remains in default for at least 1 month after relevant notice is served. The termination of the lease leads to the abolishment of the debtor's buy-back rights. It is further noted that any rights of the debtor deriving from the lease are non-transferable, save for instances of universal succession.

The debtor may be entitled to re-purchase the property at a price objectively determined under the provisions of the said Law upon fulfilment of their rental payment obligations. After full repayment by the debtor (at the end of the 12-year period or prior to that), they (or their successors) are entitled to exercise a buy-back right. The buy-back price is defined pursuant to a Decision of the Minister of Finance, in accordance with Article 225 of Law 4738/2020, yet to be issued.

Further protective measures related to the COVID-19 pandemic

Law 4790/2021 entered into force on 31 March 2021 and provides for urgent measures in response to the COVID-19 pandemic, including with respect to (i) the suspension of enforcement proceedings (and relevant deadlines); and (ii) the protection of the main residence of individuals who were financially affected by the consequences of the COVID-19 pandemic.

With respect to the suspension of enforcement proceedings it is noted that:

(a) The time period spanning from 7 November 2020 until the lift of the temporary cessation of operations of courts in Greece will not be counted against any legal deadline for undertaking procedural and extrajudicial actions (this is not the case for proceedings under Law 4307/2014). No statutory litigation interest (τόκος επιδικίας in Greek) will be payable for this period.

(b) All liquidation proceedings against a borrower's non-perishable moveable property, ships and aircrafts scheduled between the reopening of courts in Greece and 13 May 2021 are cancelled.

(c) For any liquidation proceedings scheduled between 7 November 2020 and 13 May 2021 that were cancelled in accordance with the above, a new auction date may be set by the creditor. However, this date may not be before 16 July 2021 if the deadline for filing legal remedies against the proceedings by a third party had not expired by 7 November 2020.

With respect to the protection of the main residence of individuals who were financially affected by the consequences of the pandemic, it is noted that:

(a) Individuals who qualify (in accordance with criteria set by Law 4790/2021 and after being verified by EGDICH) as financially affected by the consequences of the pandemic may not be the subject of any seizure, liquidation and enforcement proceedings against their main residence that would result in them having to vacate said property. This protection is granted until 31 May 2021.

(b) The above does not preclude the issuance of a payment order or service of an enforcement order relating to the main residence.

Securitisations – the Hellenic Asset Protection Scheme (HAPS)

Securitisations

Law 3156/2003 (the "Securitisation Law") sets out a framework for the assignment and securitisation of receivables in connection with either existing or future claims, originated by a commercial entity resident in Greece or, resident abroad and having an establishment in Greece (a "Transferor") and resulting from the Transferor's business activity. Article 10 of the Securitisation Law allows a Transferor to sell its receivables to a Special Purpose Vehicle (a "SPV"), which must also be the issuer of notes to be issued in connection with the securitisation of such receivables. In particular, it provides that:

(a) the assignment of the receivables is to be governed by the assignment provisions of the Greek Civil Code, which provides that additional rights relating to the receivables including guarantees, mortgages, mortgage pre-notations and other security interests will be transferred by the Transferor to the SPV along with the transfer of the receivables;

(b) the transfer of the receivables pursuant to the Securitisation Law does not change the nature of the receivables, and all privileges which attach to the receivables for the benefit of the Transferor are also transferred to the SPV;

(c) the securitised receivables must be carried out by:

(i) a credit institution or financial institution licenced to provide services in accordance with its scope of business in the European Economic Area; a servicer licensed in accordance with Law 4354/2015 qualifies as a financial institution;

(ii) the Transferor; or

(iii) a third party that had guaranteed or serviced the receivables prior to the time of transfer to the SPV.

(d) if the SPV is not resident in Greece, the entity responsible for management of the securitised receivables must be resident in Greece if the receivables are payable by consumers in Greece;

(e) amounts collected in respect of the receivables and security interest created over the receivables by operation of law are not available to the creditors of the person making such collections and will not form part of its estate on its liquidation;

(f) the proceeds of the collections made in respect of the receivables must immediately upon receipt be deposited by the person making such collections in a separate bank account held with a credit institution or financial institution in the EEA or with such person, if it is a credit institution;

(g) amounts standing to the credit of such separate bank account into which collections are deposited are also secured in favour of the holders of the notes issued in connection with the securitisation of the receivables and the other creditors of the SPV by virtue of a pledge established by operation of law;

(h) a summary of the receivables sale agreement must be registered with the competent Registry of Transcription, in accordance with the procedure set out under Article 3 of Law 2844/2000 of the Hellenic Republic, following which registration (i) the validity of the sale of the receivables and of any additional rights relating to the receivables is not affected by any insolvency proceedings concerning the Transferor or the SPV; (ii) the underlying obligors of the receivables will be deemed to have received notice that there has been a sale of the receivables; and (iii) the legal pledge by operation of law over the securitised receivables and the separate account is established;

(i) following the transfer of the receivables and the registration of the summary of the receivables sale agreement, no security interest or encumbrance can be created over the receivables other than the interest that is created pursuant to the Securitisation Law which comprises a pledge operating by law over the receivables in favour of the holders of the notes issued in connection with the securitisation of the receivables and also in favour of the other creditors of the SPV;

(j) the claims of the holders of the notes issued in connection with the securitisation of the receivables and also of the other creditors of the SPV from the enforcement of the pledge operating by law will rank ahead of the claims of any statutory preferential creditors.

The Hellenic Asset Protection Scheme

Law 4649/2019 provides the terms and conditions under which the Greek state guarantee may be provided in the context of non-performing loans securitisation by credit institutions under the asset protection scheme. This law provides for the conditions under which the securitisation must be implemented in order to qualify for the provision of the State guarantee, in line with decisions no. C (2019)7309 and C (2021) 2545 of the European Commission. Such conditions include, *inter alia*, that the notes to be issued in the context of the securitisation must include at least senior and junior notes and the price paid to the Greek banks for the sale and transfer of non-performing loans cannot exceed their aggregate net asset value. The Greek state guarantee will be provided in favour of senior notes for the full repayment of principal and interest thereunder throughout the term of the notes. The aggregate commitment of the Greek state under the HAPS scheme law since the beginning of its operation amounts to €24 billion. Applications for the provision of the Greek state guarantee may be filed by credit institutions, either in the context of securitisations that have already been implemented or for securitisations that are currently in the process of implementation exclusively within 18 months as from the date of issue of the decision no. C (2021) 2545 of the European Commission, *i.e.* by 10 October 2022 or such other date as may be designated by a ministerial decision on the basis of a decision of the European Commission.

The Greek state guarantee is granted by a decision of the Minister of Finance and becomes effective upon (i) transfer through sale against positive value, of at least 50% plus one of the issued junior notes to private investors and of such number of junior notes, and (if issued) mezzanine notes, that allows the derecognition of the securitised receivables; (ii) rating of the senior tranche of the notes being rated at no less than BB- by an External Credit Assessment Institution (as defined in point (98) of Article 4(1) of the Capital Requirements Regulation); and (iii) assignment of the administration of the securitised non-performing loans portfolio to an independent special purpose vehicle. If the State guarantee has not become effective within 12 months as of the publication of the respective Ministerial Decision granting the guarantee, then such decision ceases automatically to be in force and the amount of the guarantee is released. There can be no new application for the same securitisation before the lapse of 6 months. Certain ministerial decisions have been issued to set out the details for the implementation of the aforementioned law.

ALTERNATIVE PERFORMANCE MEASURES

The Group presents several non-IFRS financial measures, which are intended to provide investors and the Group's management with additional information with which to evaluate the Group's financial position and performance. These measures are not always comparable with measures used by other companies and should be considered as a complement to measures defined according to IFRS. The Group applies the key ratios consistently over time.

These measures are not required by, nor are they recognised under or presented in accordance with, IFRS, GAAP or accounting principles generally accepted in Greece. Each of these measures is an alternative performance measure (the "**APM**"), as defined in the guidelines issued by ESMA on 5 October 2015.

The Group uses APM indicators in the context of making decisions regarding its financial, operational and strategic planning, as well as for the evaluation and publication of our performance. The APM indicators serve to better understand the Group's financial and operating results and its financial position, however they should not be considered as substituting other metrics that have been calculated in accordance with the provisions of IFRS or other historical financial indicators.

The table below presents the APM components included in its annual audited consolidated financial statements as at and for the years ended 31 December 2019 and 2020 and the respective APM components in its consolidated interim financial statements as at 30 June 2021.

APM	APM Definition - Calculation		As at 31 December 2019	As at 31 December 2020	As at 30 June 2021
Common Equity Tier 1 or CET1 Capital Ratio	CET1 capital, as defined by the CRR, with the application of the regulatory transitional arrangements for IFRS 9 impact.		14.05%	13.75%	10.87%
Pro forma Common Equity Tier 1 or CET1 Capital Ratio	Pro forma CET1 Capital Ratio, subtracting from the denominator RWA of the Sunrise 1 NPE securitisation classified as Held for Sale as at 30 June 2021, and as at 31 December 2019 adding to the nominator profits for the period and subracting from the denonimator RWA for NPE portfolios classified as Held for Sale as at 31 December 2019.		14.82%	13.75%	11.58%
Financial Assets	The sum of financial assets at FVTPL, financial assets mandatorily at FVTPL, Loans and advances to customers mandatorily at FVTPL, financial assets at FVTOCI, debt securities at amortised cost.		3,613	8,412	12,293
Loans to Deposits Ratio (LDR) - (Seasonally Adjusted)	Seasonally Adjusted Net Loans over (/) Deposits.		79.4%	76.8%	64.7%
Net Income excluding one-off items	Total net income minus (-) Non-recurring (one-off) Revenues.		1,823	1,893	1,077
New Loan Disbursements	—		4,019	6,295	3,448

Non-Performing Exposures (NPEs)	On balance sheet credit exposures before ECL allowance for impairment on loans and advances to customers at amortised cost that are: (a) past due over 90 days; (b) impaired or those which the debtor is deemed as unlikely to pay ("UTP") its obligations in full without liquidating collateral, regardless of the existence of any past due amount or the number of past due days; (c) forborne and still within the probation period under EBA rules; (d) subject to contagion from (a) under EBA rules and other unlikely to pay (UTP) criteria.		24,474	22,448	8,997
NPE (Cash) Coverage Ratio	ECL allowance for impairment losses on loans and advances to customers at amortised cost over (/) NPEs.		44.9%	44.1%	38.8%
NPE Ratio	NPEs over (/) gross loans before impairments & adjustments.		48.8%	45.3%	24.6%
Other Assets	Balancing item: equals (=) Total Assets minus (-) Net Loans minus (-) Financial Assets.		18,456	23,541	29,595
Other Income	Balancing item: equals (=) Net Income minus (-) Net Interest Income minus (-) Net Fee and Commission Income.		421	90	515
Other Liabilities	Balancing item: equals (=) Total Liabilities minus (-) Due to banks minus (-) Customer Deposits.		2,811	3,411	3,495
Recurring Operating Expenses (Recurring Opex)	Opex minus (-) One-off Opex.		977	937	451
Total Regulatory Capital (Phased-in)	Total capital, as defined by the CRR, with the application of the regulatory transitional arrangements for IFRS 9 impact.		14.92%	15.82%	14.85%
Pro forma total Regulatory Capital (Phased-in)	Pro forma Total Capital Ratio, subtracting from the denominator the RWA of the Sunrise 1 NPE securitisation classified as Held for Sale as at 30 June 2021 and as at 31 December 2019 adding to the nominator profits for the period and subtracting from the denonimator RWA for NPE portfolios classified as Held for Sale as at 31 December 2019.		15.69%	15.82%	15.82%

APM Component	APM Definition - Calculation		As at 31 December 2019	As at 31 December 2020	As at 30 June 2021
Expected Credit Loss (ECL Allowance)	ECL allowance for impairment losses on loans and advances to customers at amortised cost including the PPA adjustment.		(10,986)	(9,904)	(3,489)
Deposits or Customer Deposits	Due to Customers.		47,351	49,636	51,215
Gross Loans	Loans and advances to customers at amortised cost before ECL allowance for impairment losses on loans and advances to customers grossed up with the PPA adjustment.		50,148	49,528	36,639
Intangible Assets	—		287	280	281
Loan Impairment Charges (Provision Expenses)	ECL impairment losses on loans and advances to customers at amortised cost.		(710)	(1,104)	(3,240)

Net Fee & Commission Income	—		318	317	177
Net Interest Income	—		1,435	1,486	772
Net Loans	Loans and advances to customers at amortised cost.		39,162	39,624	33,150
Seasonally Adjusted Net Loans	Loans and advances to customers at amortised cost minus (-) OPEKEPE seasonal loan of€1,548 million as at 31 December 2019, €1,516 million as at 31 December 2020 and €0 as at 30 June 2021		37,614	38,108	33,150
Net Results - Net Profit	Profit/(loss) for the period from continuing operations attributable to shareholders of Piraeus Holdings.		270	(652)	(2,449)
Net Revenues	Total Net Income.		2,174	1,893	1,464
Non-Recurring (one-off) Expenses	In 2019 voluntary exit scheme staff costs of €36 million were classified as one-off. In 2020, the staff costs related to the newly-launched voluntary exit scheme amounted to €147 million. In H1 2021 voluntary exit scheme amounted to €40 million and €7 million General & Administrative costs		36	147	47
Non-Recurring (one-off) Impairments	In 2020, €695 million of impairment charges related with the COVID-19 impact and other impairments were classified as one-off. In 2021, €3,036 million of impairment charges related with Phoenix, Vega and Sunrise 1 sales scenario		0	695	3,036
Non-Recurring (one-off) Revenues	In 2019, €351 million of the sale of Piraeus RBU platform to Intrum were classified as one-off revenues in commission income and other income respectively. In 2021, €387 million gains from sovereign securities trading income		351	0	387
Operating Expenses	Total operating expenses before provisions.		(1,013)	(1,084)	(491)
PPA adjustment	—		1,673	1,426	213
Pre-Provision Income	Profit before provisions, impairment and income tax.		1,161	809	973
Pre-Provision Income (recurring)	Profit before restructuring staff costs, provisions, impairments and income tax (adjusted for share of profit of associates).		846	955	633
Pre-Tax Results - Pre-Tax Profits	Profit/(loss) before income tax.		389	(530)	(2,337)

The table below presents the APMs components included in Piraeus Bank S.A annual audited consolidated financial statements for the year ended 31 December 2020.

APM	APM Definition - Calculation	As at 31 December 2020
CET1 Capital Ratio (Bank)	CET1 capital, as defined by Regulation (EU) No 575/2013, with the application of the regulatory transitional arrangements for IFRS 9 impact.	9.44%
Financial Assets (Group)	The sum of: financial assets at FVTPL, financial assets mandatorily at FVTPL, Loans and advances to customers mandatorily at FVTPL, financial assets at FVTOCI, debt securities at amortised cost.	8,392

Loans to Deposits Ratio (LDR) - (Seasonally Adjusted) (Group)	Seasonally Adjusted Net Loans over (/) Deposits.	73.2%
NSFR (Net Stable Funding Ratio) (Group)	The NSFR is defined as the amount of available stable funding relative to the amount of required stable funding. This ratio should be equal to at least 100% on an ongoing basis.	116.6%
Non-Performing Exposures (NPEs) (Bank)	On balance sheet credit exposures before ECL allowance for impairment on loans and advances to customers at amortised cost that are: (a) past due over 90 days; (b) impaired or those which the debtor is deemed as unlikely to pay ("UTP") its obligations in full without liquidating collateral, regardless of the existence of any past due amount or the number of past due days; (c) forborne and still within the probation period under EBA rules; (d) subject to contagion from (a) under EBA rules and other unlikely to pay (UTP) criteria.	15,842
NPE Coverage Ratio (Bank)	Expected Credit Loss (ECL Allowance) over (/) NPEs.	43.7%
NPE Ratio (Bank)	NPEs over (/) gross loans before impairments & adjustments.	34.6%
Other Assets (Group)	Balancing item: equals (=) Total Assets minus (-) Net Loans minus (-) Financial Assets.	23,318
Other Liabilities (Group)	Balancing item: equals (=) Total Liabilities minus (-) Due to banks minus (-) Customer Deposits.	3,241
Total Regulatory Capital (Phased-in) (Bank)	Total capital, as defined by the Regulation (EU) No 575/2013, with the application of the regulatory transitional arrangements for IFRS 9 impact.	11.27%

APM Component	**APM Definition - Calculation**	**As at 31 December 2020**
Expected Credit Loss (ECL Allowance) (Group)	ECL allowance for impairment losses on loans and advances to customers at amortised cost including the PPA adjustment.	7,055
Expected Credit Loss (ECL Allowance) (Bank)	ECL allowance for impairment losses on loans and advances to customers at amortised cost including the PPA adjustment.	6,917
Deposits or Customer Deposits (Group)	Due to Customers.	50,007
Gross Loans (Group)	Loans and advances to customers at amortised cost before ECL allowance for impairment losses on loans and advances to customers grossed up with the PPA adjustment.	45,170

Gross Loans (Bank)	Loans and advances to customers at amortised cost before ECL allowance for impairment losses on loans and advances to customers grossed up with the PPA adjustment.	45,761
Intangible Assets (Group)	—	279
Net Loans (Group)	Loans and advances to customers at amortised cost.	38,115
Seasonally Adjusted Net Loans (Group)	Loans and advances to customers at amortised cost minus (-) OPEKEPE seasonal funding facility of €1,516 million as at 31 December 2020	36,599

GLOSSARY OF SELECTED TERMS

The following glossary includes selected terms related to the disclosure of this Offering Circular.

2020 SREP Decision.....	The decision of the ECB communicating the results of the Supervisory Review and Evaluation Process conducted in relation to Piraeus Bank pursuant to Section III, Articles 97 *et seq*. of CRD and setting out the targets (including capital requirements) to be met in 2021 on both a consolidated and individual basis.
ALCO.....	Assets/Liabilities Management Committee.
APM.....	Alternative performance measure.
Articles of Association.....	Depending on the context, the articles of association of Piraeus Financial Holdings or Piraeus Bank Société Anonyme, as amended and currently in force.
ATEbank.....	Agricultural Bank of Greece, S.A.
ATEbank Acquired Business.....	The selected assets and liabilities of ATEbank that the Group acquired in the ATEbank Acquisition.
ATEbank Acquisition.....	The Group's acquisition of selected assets and liabilities of ATEbank.
ATHEX.....	Athens Exchange.
ATM.....	Automated Teller Machine.
Bank	Piraeus Bank Société Anonyme.
Bank of Greece.....	The central bank of Greece.
Banking Law	Law 4261/2014 of the Hellenic Republic, as amended and in force.
Basel III.....	The final proposals pertaining to the reform of capital and liquidity requirements issued by the Basel Committee on Banking Supervision.
BCP	Banco Comercial Português, S.A., Portugal's largest bank.
Board of Directors or Board.....	Depending on the context, the board of directors of Piraeus Financial Holdings, Piraeus Bank or any other legal person, entity or institution, the management body of which consists of a board of directors.
BRRD II.....	Directive (EU) 2019/879 of the European Parliament and of the Council amending Directive 2014/59/EU as regards the loss-absorbing and recapitalisation

	capacity of credit institutions and investment firms and Directive 98/26/EC.
BRRD or Bank Recovery and Resolution Directive.....	Directive (EU) 2014/59 of the European Parliament and of the Council establishing a framework for the recovery and resolution of credit institutions and investment firms and amending Council Directive 82/891/EEC, and Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC, 2011/35/EU, 2012/30/EU and 2013/36/EU, and Regulations (EU) No 1093/2010 and (EU) No 648/2012, of the European Parliament and of the Council.
Business loans.....	Business loans refer to corporate loans.
Buy-Back Programme.....	The programme launched by the Greek government in December 2012 for the buy-back of Greek government bonds.
Capital Enhancement Plan.....	Has the meaning ascribed to it under "*Piraeus Financial Holdings S.A.—The Group's strategy—Optimise the Group's balance sheet by executing the Capital Enhancement Plan and the NPE Reduction Plan—The Capital Enhancement Plan*".
Common Equity Tier 1 capital	Capital instruments which are perpetual, fully paid-up, issued directly by an institution (*e.g.*, ordinary shares), share premium accounts, disclosed reserves or retained earnings, accumulated other comprehensive income, other reserves, less DTAs (other than DTAs from temporary differences above the 10% and 17.65% thresholds as defined in CRR), less intangibles (including goodwill), less investments in own shares.
Contingent Convertible Bonds.....	€2,040,000,000 principal amount of contingent convertible bonds issued by the former Piraeus Bank S.A. on 2 December 2015 which were covered exclusively by the HFSF with notes issued by the ESM in accordance with the HFSF Law, Law 3156/2003, Codified Law 2190/1920 and Cabinet Act No. 36/2.11.2015. On 4 January 2021 the Contingent Convertible Bonds were converted into Ordinary Shares of Piraeus Financial Holdings.
Core Tier 1 capital.....	Tier 1 capital, excluding hybrid instruments.
Core Tier 1 ratio.....	Core Tier 1 capital divided by risk-weighted assets.
Corporate deposits.....	Due to corporate customers.
CRD.....	CRD IV together with CRD V.
CRD IV	Directive 2013/36/EU of the European Parliament and of the Council on access to the activity of credit institutions and the prudential supervision of credit

	institutions, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC.
CRD IV Supplementing Regulation ...	Commission Delegated Regulation (EU No. 241/2014) of 7 January 2014 supplementing the CRR, as amended or replaced from time to time.
CRD V	Directive 2019/878 amending Directive 2013/36/EU as regards exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures.
CRR.....	Regulation (EU) 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012.
CRR II.....	Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No 575/2013 as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements, and Regulation (EU) No 648/2012.
CRR Quick Fix	Regulation (EU) 2020/873 of the European Parliament and of the Council of 24 June 2020 amending Regulations (EU) No 575/2013 and (EU) 2019/876 as regards certain adjustments in response to the COVID-19 pandemic.
Cumulative provisions	ECL allowance on loans and advances to customers at amortised cost.
Cypriot Banks	Bank of Cyprus, Cyprus Popular Bank and Hellenic Bank.
Demerger.....	The demerger by way of the hive-down of the banking activities of Piraeus Financial Holdings (as former Piraeus Bank Société Anonyme), into a new licensed credit institution, incorporated under the name “Piraeus Bank Société Anonyme”.
Deposits or customer deposits	Due to customers.
DTAs.....	Deferred tax asset.
EBA	European Banking Authority.
EBRD.....	European Bank for Reconstruction and Development.

ECB	The European Central Bank.
ECL.....	Expected credit loss.
EEA	European Economic Area.
EFSF	European Financial Stability Facility.
EIB.....	European Investment Bank.
ELA.....	Emergency liquidity assistance.
ELSTAT	The Hellenic Statistical Authority.
ESM.....	European Stability Mechanism.
ETEAN.....	Hellenic Fund for Entrepreneurship and Development.
EU MiFID II	Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU, as amended and currently in force.
EU or European Union.....	The European economic and political union.
Euro, euro EUR and €.....	The common legal currency of the member states participating in the third stage of the European Economic and Monetary Union.
Eurosystem.....	The monetary authority of the Eurozone, composed of the ECB and the central banks of the member states that belong to the Eurozone.
Eurozone	The euro area, being the Economic and Monetary Union of the member states of the European Union which have adopted the euro currency as their sole legal tender.
Fitch.....	Fitch Ratings Ireland Limited.
FSMA.....	United Kingdom Financial Services and Markets Act 2000.
FTT	Financial transaction tax.
FVTOCI.....	Financial instruments measured at fair value through other comprehensive income.
FVTPL	Financial instruments measured at fair value through profit or loss.
FX.....	Foreign exchange.
GDP.....	Gross domestic product.

General meeting	Depending on the context, the general meeting of the shareholders, whether ordinary or extraordinary, of Piraeus Financial Holdings, Piraeus Bank Société Anonyme or of any other société anonyme incorporated under Greek law.
Greek BRRD Law	Law 4335/2015 which transposed BRRD into Greek law, as amended and currently in force.
Group.....	Piraeus Financial Holdings S.A. and its prudentially consolidated subsidiaries.
HAPS.....	Hellenic Asset Protection Scheme, as prolonged until October 2022.
HDIGF	Hellenic Deposit and Investment Guarantee Fund.
Hellenic Republic	The official name of Greece as a sovereign state.
Hellenic Republic Bank Support Plan	The plan introduced by the Hellenic Republic to support the liquidity of the Greek banking sector and economy.
HFSF	Hellenic Financial Stability Fund.
HFSF Law.....	Law 3864/2010, as amended and currently in force.
IAS.....	International Accounting Standards.
ICAAP.....	Internal Capital Adequacy Assessment Process.
ICS.....	Internal control system.
IFRS	International Financial Reporting Standards, as modified from time to time.
ILAAP	Internal Liquidity Adequacy Assessment Process.
IMF	The International Monetary Fund.
Intrum	Intrum AB (publ).
IT	Information technology.
LCR	Liquidity coverage ratio.
MBG	Millennium Bank S.A.
MBG Acquisition	The Group's acquisition of MBG.
Moody's	Moody's Investors Service Cyprus Limited.
MREL.....	The framework in which BRRD prescribes minimum requirements for own funds and eligible liabilities in the EU legislation.

Next Generation EU	A €750 billion EU funded temporary recovery instrument to help repair the immediate economic and social damage brought about by the COVID-19 pandemic.
NPE Reduction Plan	Has the meaning ascribed to it under "*Piraeus Financial Holdings S.A.—The Group's strategy—Optimise the Group's balance sheet by executing the Capital Enhancement Plan and the NPE Reduction Plan—NPE Reduction Plan*".
NPEMU	NPE Management Unit.
NSFR	Net stable funding ratio.
OCR	Overall Capital Requirement.
OPEKEPE seasonal funding facility	Each of the €1.6 billion, €1.5 billion and €1.5 billion seasonal funding facilities provided to the Payment and Control Agency for Guidance and Guarantee Community Aid in 2018, 2019 and 2020, respectively, and repaid in 2019, 2020 and 2021, respectively.
Ordinary Shares	The 1.250.367.223 common registered voting shares, each having a nominal value of €0.95, which represent the paid-up share capital of the Piraeus Financial Holdings.
OTC	Over-the-counter.
Own funds	The sum of Tier 1 capital and Tier 2 capital
Panellinia	Panellinia Bank S.A.
PFM	Piraeus Financial Markets.
PPA adjustment	Purchase price allocation adjustment.
Recapitalisation Plan	The plan for the recapitalisation of Greek banks, mandated by the Bank of Greece in September 2012 pursuant to the HFSF Law.
Regulation S	Regulation S under the Securities Act.
Relationship Framework Agreement	The relationship framework agreement governing the relationship of the former Piraeus Bank Société Anonyme with the HFSF following the completion of the 2015 Share Capital Increase, entered into on 27 November 2015. The Relationship Framework Agreement applies to both Piraeus Financial Holdings and Piraeus Bank Société Anonyme, as provided for in the HFSF Law and set out in a tripartite agreement entered into between the HFSF, Piraeus Financial Holdings and Piraeus Bank Société Anonyme.

REOs	Real estate owned assets.
Restructuring Plan	The restructuring plan of the former Piraeus Bank Société Anonyme in 2014 and its revision in 2015 which included quantified restructuring commitments and commitments on corporate governance and its commercial operations. The Restructuring Plan had been established pursuant to the HFSF Law as a result of the capital support that the former Piraeus Bank Société Anonyme had received from the HFSF in the context of the 2013 Share Capital Increase and the 2015 Share Capital Increase.
Reverse Split	The increase of the par value of the ordinary shares of Piraeus Financial Holdings from €6.00 to €99.00 per share combined with the concurrent (i) reduction of the total number of such Ordinary Shares from 831,059,164 to 50,367,223 corresponding to a ratio of 16.5 existing Ordinary Shares for 1 new Ordinary Share, and (ii) the increase of the share capital of Piraeus Financial Holdings by €93.00, through the capitalisation of an equal amount from its "share premium" reserve for the purposes of issuing whole number of Ordinary Shares, each as approved by the General Meeting on 7 April 2021.
Risk-weighted assets	Total assets at period end weighted by risk factors provided by the Bank of Greece, to be used for calculation of capital adequacy level.
Securities Act	U.S. Securities Act of 1933, as amended.
Share Capital Decrease	The reduction of the share capital of Piraeus Financial Holdings by the amount of four billion nine hundred thirty five million nine hundred eighty seven thousand eight hundred fifty four euros (€4,935,987,854), by reducing the nominal value of each ordinary share of Piraeus Financial Holdings from ninety-nine euros (€99.00) to one euro (€1.00), without amending the total number of Ordinary Shares, as such number of Ordinary Shares has been determined following the Reverse Split and the formation of an equivalent special reserve of Article 31, paragraph 2 of Law 4548/2018.
SMEs	Small and medium-sized enterprises with an annual turnover of €2.5 million to €50 million.
SRB	Single Resolution Board.
SRF	Single Resolution Fund.
SRM.....	Single Resolution Mechanism.
SRM Regulation.....	Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure

	for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010.
SRM Regulation II.....	Regulation (EU) 2019/877 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No 806/2014 as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms.
SSM.....	Single Supervisory Mechanism.
Standard & Poor's; S&P.....	Standard & Poor's Global Ratings Europe Limited.
Third Economic Adjustment Programme	The third economic reform and financial assistance programme introduced by the IMF, EU and ECB in Greece in 2015.
Tier 1 capital	Ordinary shares, share premium, preference shares, reserves, retained earnings, minority interests, hybrid instruments, less treasury shares, less retained losses, less intangible assets, less goodwill.
Tier 1 ratio.....	Tier 1 capital divided by risk-weighted assets.
Tier 2 capital	Tier 2 items prescribed in Chapter 4 of CRR, including any capital instruments issued in accordance with Article 63 of CRR.
Total Capital Ratio	Own funds divided by risk weighted assets.
TLTRO III.....	Seven quarterly ECB targeted longer-term refinancing operations.
Transformation Plan.....	Has the meaning ascribed to it under "*Piraeus Financial Holdings S.A.—The Group's strategy—Enhance the Group's stand-alone pre-provision earnings generation by executing the Transformation Plan*".
UK.....	The United Kingdom.
Value-at-Risk or VaR	A model used to estimate the market risk of positions held and the maximum losses expected, based upon a number of assumptions for various changes in market positions.

TAXATION

The comments below are of a general nature and are not intended to be exhaustive. Any Noteholders who are in doubt as to their own tax position should consult their professional advisers.

Taxation in the Hellenic Republic

The following is a summary of certain material Greek tax consequences of the ownership and disposal of the Notes. It is not exhaustive and does not purport to deal with all the tax consequences applicable to all possible categories of holders of Notes, some of which may be subject to special rules, and also does not touch upon procedural requirements such as the filing of a tax declaration, of proof of tax residency or of supporting documentation required. Further, it is not intended as tax advice to any particular holder of Notes and it does not purport to be a comprehensive description or analysis of all of the potential tax considerations that may be relevant to a holder in view of such holder's particular circumstances and tax reporting and disclosure obligations.

This summary is based on the Greek tax laws, decisions, interpretative circulars and other regulatory acts of the respective Greek authorities as in force at the date hereof and does not take into account any developments or amendments that may occur after the date hereof, whether or not such developments or amendments have retroactive effect.

Also, investors should note that the appointment by an investor in Notes, or any person through which an investor holds Notes, of a custodian, collection agent or similar person in relation to such Notes in any jurisdiction may have tax implications. Such investors should consult their own tax advisers in relation to the tax consequences for them of any such appointment.

Individuals are assumed not to be acting in the course of business for tax purposes.

Tax considerations are subject to the more favorable provisions of any applicable bilateral treaty for the avoidance of double taxation.

Prospective holders of Notes should consult their own tax advisors as to the tax consequences of the purchase, ownership and disposal of Notes.

Payments of principal under the Notes

No Greek income tax will be imposed on payments of principal under the Notes.

Payments of interest under the Notes

Individual holders – Greek tax residents

Interest on the Notes received by individual holders of Notes who are Greek tax residents is subject to income tax currently at a flat rate of 15%. If payment of interest is effected through a Greek resident paying agent or a Greek permanent establishment of a non-Greek paying agent, the entire income tax of 15% will be withheld by such agent and will be exhaustive of the income tax liability of such persons.

Individual holders – non-Greek tax residents

Interest on the Notes received by individual holders of Notes who are non-Greek tax residents is exempt from any income tax or withholding in Greece.

Holders which are legal persons or legal entities – Greek tax residents

Interest on the Notes received by legal persons and legal entities which are Greek tax residents (including Greek permanent establishments of non-Greek legal persons or legal entities through which the Notes are held) will be treated as part of their annual taxable income. As of 1 January 2021, the income tax rate for legal entities is 22% (except for certain Greek credit institutions to which a 29% income tax rate applies). If payment of interest is effected through a Greek paying agent or a Greek permanent establishment of a non-Greek paying agent, a 15% withholding applies, which will be credited against the income tax due for that tax year.

Holders which are legal persons or legal entities – non-Greek tax residents

Interest on the Notes received by legal persons and legal entities which are non-Greek tax residents is exempt from any income tax or withholding in Greece.

Disposal of Notes – capital gains

Individual holders

Capital gains on the Notes arising at the level of individual holders of Notes are exempted from income tax. Furthermore, the tax authorities have expressed the view that the difference between the acquisition value on the secondary market and the payment of principal received upon expiry of a corporate bond, such as the Notes, does not constitute capital gains.

Holders which are legal persons or legal entities – Greek tax residents

Capital gains on Greek corporate bonds, such as the Notes, earned by holders of Notes that are legal persons or legal entities and Greek tax residents (including Greek permanent establishments of non-Greek legal persons or legal entities through which Notes are held) are exempted from Greek income tax. However, such exemption is not definite. Taxation of capital gains over Greek corporate bonds, such as the Notes, is deferred until capitalisation or distribution. Upon capitalisation or distribution, corporate holders which are Greek tax residents will be taxed at the corporate income tax rate applicable at the time of capitalisation or distribution.

Holders which are legal persons or legal entities – non-Greek tax residents

Capital gains over Greek corporate bonds, such as the Notes earned by holders of Notes which are non-Greek tax residents is not subject to income tax in Greece.

Special solidarity contribution

The overall income, taxable or exempt, of a person (individual) which is reported in an annual Greek income tax return and exceeds €12,000 is subject to an annual levy called "special solidarity contribution". The rate of the special solidarity contribution ranges progressively from 2.2% to 10% and is calculated with reference to both taxable and tax-exempt income. Interest on the Notes received by individual holders thereof who are non-Greek tax residents will not be subject to such special solidarity contribution. The imposition of such special solidarity contribution on interest and capital gains in respect of the Notes received by individual holders thereof who are Greek tax residents has been suspended for the fiscal year ending 31 December 2021.

Luxembourg Taxation

The following information is of a general nature only and is based on the laws presently in force in Luxembourg, though it is not intended to be, nor should it be construed to be, legal or tax advice. The information contained within this section is limited to Luxembourg withholding tax issues and prospective investors in the Notes should therefore consult their own professional advisers as to the effects of state, local or foreign laws, including Luxembourg tax law, to which they may be subject.

Please be aware that the residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a withholding tax or a tax of a similar nature, or to any other concepts, refers to Luxembourg tax law and/or concepts only.

Withholding Tax

(a) Non-resident holders of Notes

Under Luxembourg general tax laws currently in force, there is no withholding tax on payments of principal, premium or interest made to non-resident holders of Notes, nor on accrued but unpaid interest in respect of the Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Notes held by non-resident holders of Notes.

(b) Resident holders of Notes

Under Luxembourg general tax laws currently in force and subject to the law of 23 December 2005 as amended (the Relibi Law) mentioned below, there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident holders of Notes, nor on accrued but unpaid interest in respect of Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of Notes held by Luxembourg resident holders of Notes.

Under the Relibi Law payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to an individual beneficial owner who is a resident of Luxembourg will be subject to a withholding tax of 20 per cent. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of their private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Accordingly, payments of interest under the Notes coming within the scope of the Relibi Law will be subject to a withholding tax at a rate of 20 per cent.

The Proposed Financial Transactions Tax ("the FTT")

On 14 February 2013, the European Commission published a proposal (the "Commission's Proposal") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "participating Member States"). However, Estonia has since stated that it will not participate.

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in Notes (including secondary market transactions) in certain circumstances. Primary market transactions referred to in Article 5(c) of Regulation (EC) No 1287/2006 are expected to be exempt.

Under the Commission's Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

FOREIGN ACCOUNT TAX COMPLIANCE ACT

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a "foreign financial institution" (as defined by FATCA) may be required to withhold on certain payments it makes ("foreign passthru payments") to persons that fail to meet certain certification, reporting or related requirements. The Issuers are foreign financial institutions for these purposes. A number of jurisdictions (including Greece) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("IGAs"), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as Notes, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register and Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining foreign passthru payments are published generally would be grandfathered for purposes of FATCA withholding unless materially modified after such date (including by reason of a substitution of the issuer). However, if additional Notes (as described under "*Terms and Conditions—Further Issues*") that are not distinguishable from previously issued Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Notes, including the Notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisers regarding how these rules may apply to their investment in Notes.

SUBSCRIPTION AND SALE

The Dealers have in an amended and restated programme agreement (the "Programme Agreement") dated 30 September 2021 agreed with Piraeus Bank and PFH a basis upon which they or any of them may from time to time agree to subscribe Notes. Any such agreement will extend to those matters stated under "Form of the Notes" and "Terms and Conditions of the Notes" above. In the Programme Agreement, Piraeus Bank and PFH have agreed to reimburse the Dealers for certain of their expenses in connection with the establishment of the Programme and the issue of Notes under the Programme and to indemnify the Dealers against certain liabilities incurred by them in connection therewith.

United States

The Notes have not been and will not be registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from or not subject to the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations thereunder.

The applicable Pricing Supplement will identify whether TEFRA C rules ("TEFRA C") or TEFRA D rules ("TEFRA D") apply or whether TEFRA is not applicable.

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that it will not offer, sell or deliver Notes (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of all the Notes of the Tranche of which such Notes are a part within the United States or to, or for the account or benefit of, U.S. persons. Each Dealer has further agreed, and each further Dealer appointed under the Programme will be required to agree, that it will send to each dealer to which it sells Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

In addition, until 40 days after the commencement of the offering of any Series of Notes, an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

Prohibition of sales to EEA Retail Investors

Unless the Pricing Supplement in respect of any Notes specifies "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Offering Circular as completed by the Pricing Supplement in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

(a) the expression "retail investor" means a person who is one (or more) of the following:

(i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended," MiFID II"); or

(ii) a customer within the meaning of Directive (EU) 2016/97 (the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II;

(b) the expression an "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

If the Pricing Supplement in respect of any Notes specifies "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", in relation to each Member State of the European Economic Area, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Offering Circular as completed by the Pricing Supplement in relation thereto to the public in that Member State except that it may make an offer of such Notes to the public in that Member State:

(A) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;

(B) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the relevant Issuer for any such offer; or

(C) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Notes referred to in (A) to (C) above shall require the relevant Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision:

- the expression "an offer of Notes to the public" in relation to any Notes in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes; and

- the expression "Prospectus Regulation" means Regulation (EU) 2017/1129.

United Kingdom

Prohibition of sales to UK Retail Investors

Unless the Pricing Supplement in respect of any Notes specifies "Prohibition of Sales to UK Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Offering Circular as completed by the Pricing Supplement in relation thereto to any retail investor in the United Kingdom. For the purposes of this provision:

(a) the expression "retail investor" means a person who is one (or more) of the following:

(i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or

(ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA;

(b) the expression an "offer**"** includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

If the Pricing Supplement in respect of any Notes specifies "Prohibition of Sales to UK Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Offering Circular as completed by the Pricing Supplement in relation thereto to the public in the United Kingdom except that it may make an offer of such Notes to the public in the United Kingdom:

(A) at any time to any legal entity which is a qualified investor as defined in Article 2 of the UK Prospectus Regulation;

(B) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of the UK Prospectus Regulation) in the United Kingdom subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the relevant Issuer for any such offer; or

(C) at any time in any other circumstances falling within section 86 of the FSMA,

provided that no such offer of Notes referred to in (A) to (C) above shall require the relevant Issuer or any Dealer to publish a prospectus pursuant to section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision:

- the expression "an offer of Notes to the public" in relation to any Notes means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes; and

- the expression "UK Prospectus Regulation" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA.

Other regulatory restrictions

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

(a) in relation to any Notes which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the

issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the relevant Issuer;

(b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the relevant Issuer; and

(c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended; the "FIEA") and each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA pursuant to Section 274 of the SFA), (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall

not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

(i) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(ii) where no consideration is or will be given for the transfer;

(iii) where the transfer is by operation of law;

(iv) as specified in Section 276(7) of the SFA; or

(v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 of Singapore.

General

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will (to the best of its knowledge and belief having made all due and proper enquiries) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes this Offering Circular and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and none of PFH, Piraeus Bank and any other Dealer shall have any responsibility therefor.

Selling restrictions may be supplemented or modified with the agreement of the relevant Issuer. Any such supplement or modification will be set out in the applicable Pricing Supplement (in the case of a supplement or modification relevant only to a particular Tranche of Notes) or (in any other case) in a supplement to the Offering Circular and a supplement to the Programme Agreement.

None of PFH, Piraeus Bank or any of the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

GENERAL INFORMATION

Authorisation

The establishment and update of the Programme have been duly authorised by resolutions of the Board of Directors of PFH (including the former Piraeus Bank S.A.) dated 12 May 2004, 13 July 2005, 18 April 2007, 31 October 2007, 8 April 2009, 17 March 2010, 14 July 2010, 20 July 2011, 13 June 2012, 28 June 2013, 28 June 2017, 24 October 2019 and 26 August 2021.

The update of the Programme has been duly authorised by resolutions of the Board of Directors of Piraeus Bank dated 26 August 2021.

Any issue of Notes by Piraeus Bank or PFH under the Programme is subject to the prior decision of the Board of Directors of Piraeus Bank or PFH (as applicable).

Approval, listing and admission to trading

Application has been made to the Luxembourg Stock Exchange to approve this Offering Circular in respect of Piraeus Bank and PFH. Application has also been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be admitted to trading on the Euro MTF and to be listed on the Official List of the Luxembourg Stock Exchange.

Documents Available

For so long as any Notes are listed on the Luxembourg Stock Exchange and, in any event, for the period of 12 months following the date of this Offering Circular, copies of the following documents will, when published, be available for inspection free of charge at the registered office of each Issuer and online at https://www.piraeusholdings.gr/en:

(i) the constitutional documents of Piraeus Bank (in English);

(ii) the constitutional documents of PFH (in English);

(iii) the Agency Agreement, the Deed of Covenant, the forms of the temporary global Notes, the permanent global Notes, the Notes in definitive form, the Coupons and the Talons;

(iv) a copy of this Offering Circular; and

(v) any future offering circulars, prospectuses, information memoranda and supplements to this Offering Circular and Pricing Supplement and any other documents incorporated herein or therein by reference.

In addition, copies of this Offering Circular, each Pricing Supplement relating to Notes which are admitted to trading on the Luxembourg Stock Exchange's Euro MTF market and each document incorporated by reference herein will be available on the Luxembourg Stock Exchange's website at www.bourse.lu.

Clearing Systems

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg (which are the entities in charge of keeping the records). The appropriate Common Code and ISIN for each Tranche allocated by Euroclear and Clearstream, Luxembourg will be specified in the applicable Pricing Supplement. If the Notes are to clear through an additional or alternative clearing system the appropriate information will be specified in the applicable Pricing Supplement.

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1 210 Brussels and the address of Clearstream, Luxembourg is Clearstream Banking S.A., 42 Avenue JF Kennedy, L- 1855 Luxembourg.

Method for determining price

The price and amount of Notes to be issued under the Programme will be determined by the relevant Issuer in consultation with the relevant Dealer prior to the relevant issue of Notes and will depend, amongst other things, on prevailing market conditions at that time.

The issue price in respect of any Notes to be issued under the Programme will be disclosed either in the applicable Pricing Supplement or will be published on the Luxembourg Stock Exchange's website (www.bourse.lu).

Material or Significant Change

Except for the items disclosed below, there has been no material adverse change in the prospects of PFH, Piraeus Bank or their respective groups since 31 December 2020 and no significant change in the financial performance or position of PFH, Piraeus Bank or their respective groups since 30 June 2021.

In the context of the Group's balance sheet optimisation through execution of the NPE Reduction Plan, which aspires the drastic reduction of its NPE exposure, the following significant events have had an impact on PFH Group since 31 December 2020 and up to 30 June 2021:

- **Phoenix and Vega portfolios.**

  The loss charged in the income statement of the Group, before tax, from the Phoenix and Vega transactions amounted to € 1,569 million. The total impact of the sale transactions for the Group, taking into account the distribution of the shares issued by the Cypriot subsidiary "Phoenix Vega Mezz Ltd" which holds 65% of the mezzanine and 45% of the junior tranches of the aforementioned securitisations, to the PFH shareholders, approximates € 1,632 million. The distribution was approved by the annual general meeting of shareholders on 22 June 2021 and was completed on 4 August 2021

- **Sunrise 1 portfolio at Group level**

  The Sunrise 1 Portfolio was classified as held for sale at Group level as of 30 June 2021 and its carrying amount was written down to fair value less cost to sell. The ECL impairment charge recognised in the income statement of the Group for the period ended 30 June 2021, as a result of the aforementioned write-down, amounted to € 1,418 million.

- **Impairment of the investment in Piraeus Bank recognised in the stand-alone financial statements of PFH**

  The investment of PFH in Piraeus Bank was assessed as impaired as of 30 June 2021 and its recoverable amount was determined based on value-in-use calculations, which require the use of estimates. The impairment measurement resulted to a write-down in the carrying amount of the investment by €1,597 million, to €5,410 million. The said write-down had no impact on the Group's consolidated financial statements.

Events that will be accounted for in the next financial statements

The following events are expected to be recognised in the next published consolidated financial statements of PFH Group, i.e. as of and for the period ending 30 September 2021:

I. Derecognition of the Sunrise I portfolio, given that all conditions precedent to the completion

of the respective sale transactions were fulfilled in Q3 2021, including granting of all required approvals. Following the write-down of the portfolio to its fair value as of 30 June 2021, no material additional loss is expected to be charged in the Group's income statement for the period ending 30 September 2021.

II. Classification of the Sunrise II portfolio as held for sale and write-down of its carrying amount to fair value, resulting in a net loss of approximately €0.6 billion.

Litigation

In the ordinary course of business, the Group is involved in judicial or other similar proceedings, however, none of PFH, Piraeus Bank or any subsidiary of PFH is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which PFH or Piraeus Bank is aware) in the 12 months (or, in the case of Piraeus Bank, the period since its date of incorporation) preceding the date of this document which may have or have in such period had a significant effect on the financial position or profitability of PFH, Piraeus Bank or the Group.

On 16 April, 2021 PFH received service of process on behalf of a Greek shareholder (the "Claimant"), holder of 18,160 Ordinary Shares (606 new Ordinary Shares post the Reverse Split), representing 0.002% of PFH's share capital. The Claimant filed a lawsuit before the Court of First Instance in Athens against PFH, petitioning the court to annul the resolutions of the extraordinary General Meeting of the Issuer, held on 7 April 2021, which approved the Reverse Split and the Share Capital Decrease (collectively, the "Corporate Actions").

PFH firmly believes that the lawsuit is based on substantive and procedural allegations that are entirely without merit. All substantive and procedural legal requirements in relation to the Corporate Actions were complied with and all approvals from regulatory or other competent authorities in relation therewith were obtained. While PFH believes that the Claimant's allegations are entirely without merit, it cannot provide any assurance that other similar annulment and/or related legal actions will not be filed in relation to the Corporate Actions, the Share Capital Increase or the Offering, in all cases with similarly low prospects of success. At the time of service of the lawsuit, the Corporate Actions were already concluded as a matter of law and on 19 April 2021 trading of the new Ordinary Shares started on the ATHEX following the Reverse Split and the Share Capital Decrease.

As at 31 December 2020, the provision for cases under litigation amounted to €30 million (31 December 2019: €32 million), which represents the Group's management's best estimate of the probable loss, which may incur upon the conclusion of these legal cases.

Auditors of PFH

The current statutory auditors of PFH are Deloitte Certified Public Accountants S.A., 3a Fragkoklissias & Granikou Str., GR-151 25 Maroussi, Athens, Greece (member of the Institute of Certified Public Accountants of Greece).

The audited consolidated financial statements of the Group (including, in the case of 31 December 2020, the former Piraeus Bank S.A.) as of 31 December 2020 and 31 December 2020 were prepared in accordance with the IFRS and have been audited without qualification by Deloitte Certified Public Accountants S.A., Athens, independent auditors.

Auditors of Piraeus Bank

The current statutory auditors of Piraeus Bank are Deloitte Certified Public Accountants S.A., 3a Fragkoklissias & Granikou Str., GR-151 25 Maroussi, Athens, Greece (member of the Institute of Certified Public Accountants of Greece).

The audited consolidated financial statements of Piraeus Bank as of 31 December 2020 were prepared in accordance with the IFRS and have been audited without qualification by Deloitte Certified Public Accountants S.A., Athens, independent auditors.

Yield

In relation to any Tranche of Fixed Rate Notes, an indication of the yield in respect of such Notes will be specified in the applicable Pricing Supplement. The yield is calculated at the Issue Date of the Notes on the basis of the relevant Issue Price. The yield indicated will be calculated as the yield to maturity as at the Issue Date of the Notes and will not be an indication of future yield.

Conflicts

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for PFH and/or Piraeus Bank and/or their respective affiliates in the ordinary course of business. In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of PFH and/or Piraeus Bank and/or their respective affiliates. Certain of the Dealers or their affiliates that have a lending relationship with PFH and/or Piraeus Bank and/or their respective affiliates routinely hedge their credit exposure to the relevant entity consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in the securities of PFH and/or Piraeus Bank and/or their respective affiliates, including potentially any Notes offered hereby. Any such short positions could adversely affect future trading prices of any Notes offered hereby. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Material agreements

Neither Piraeus Financial Holdings, nor the Bank or any other members of the Group are parties to any material contracts outside of their ordinary course of business for the two years immediately preceding the date of this Offering Circular, or to any contract (not being a contract entered into in the ordinary course of business), which contains any provision under which any member of the Group has any obligation or entitlement which is material to the Group, with the exception of the following:

(a) The Relationship Framework Agreement, the main provisions of which are summarised in "*Regulatory Considerations—The HFSF—The Relationship Framework Agreement*".

(b) The SLAs (as defined herein) between Intrum Hellas and Piraeus Bank.

On 12 September 2019 and 18 September 2019, the Group entered into service level agreements with Intrum Hellas (the "**SLAs**"). Under the SLAs, Intrum Hellas undertakes to manage all of the Group's current and future NPEs and certain other distressed assets (the "**Reference Portfolio**") as described therein. Removal of any assets from the Reference Portfolio is subject to the payment of a fee by the Group, with the exception of limited circumstances in which it have the right to remove such assets without paying any fees.

The initial term of the SLAs is ten years, with two automatic extensions of two years each, if certain key performance indicators are met by Intrum Hellas on the third and eight anniversary of the date of the respective SLA. For the management of the Reference Portfolio, Intrum Hellas receives a fixed management fee calculated on the basis of the gross book value of the assets under management and a variable success fee incurred on certain defined events as further described in the SLAs. The

performance of Intrum Hellas under the SLAs is subject to a catalogue of key performance indicators (the "**KPI**") which are reviewed and adjusted, if necessary, on an annual basis. The breach of any agreed KPI targets generally results in certain financial penalties, payable by Intrum Hellas to the Group, or in the Group having the right to remove assets from the Reference Portfolio. If Intrum Hellas outperforms certain KPI thresholds, it is entitled to receive an incentive fee.

The agreement contains customary representations and warranties, indemnities and special termination rights. If Intrum Hellas terminates the agreement with cause, it is entitled to receive an early termination fee as compensation for the early termination of the SLAs.

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